

WEXPRO COMPANY

625 CONNECTICUT AVENUE • P.O. BOX 1129 • ROCK SPRINGS, WYOMING 82901 • (307) 362-5611

May 5, 1982

State of Utah
Division of Oil, Gas, & Mining
4241 State Office Building
Salt Lake City, Utah 84114

Re: Bug Well No. 17
Section 16, T.36S., R.26E
San Juan County, Utah

Gentlemen:

That attached "Application for Permit to Drill" for Bug Well No. 17 in the Bug field of San Juan County, Utah is hereby resubmitted for approval by your office. Approval for this non-pattern location was given on November 4, 1981, and rescinded per request on February 16, 1982.

Consent of the offsetting owners will be forthcoming.

Sincerely,

Jennifer Head
Coord. Environmental Affairs

Atth

RECEIVED
MAY 10 1982

DIVISION OF
OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE*
 (Other instructions on
 reverse side)

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>		5. Lease Designation and Serial No. ML - 27026
b. Type of Well Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>		6. If Indian, Allottee or Tribe Name -
2. Name of Operator Wexpro Company		7. Unit Agreement Name -
3. Address of Operator P. O. Box 1129, Rock Springs, Wyoming 82901		8. Farm or Lease Name Bug
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NE SE 1426' FSL, 1213' FEL At proposed prod. zone		9. Well No. 17
14. Distance in miles and direction from nearest town or post office* Approximately 15 miles southwest of Dove Creek, Colorado		10. Field and Pool, or Wildcat Undesignated Wildcat
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any) 1213' from east lease line		11. Sec., T., R., M., or Blk. and Survey or Area 16-36S-26E, SLB&M
16. No. of acres in lease 640		12. County or Parrish San Juan
17. No. of acres assigned to this well 160		13. State Utah
18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. 2194' easterly from Bug #14		19. Proposed depth 6400
20. Rotary or cable tools Rotary		21. Elevations (Show whether DF, RT, GR, etc.) GR 6596' as graded
22. Approx. date work will start* Upon approval		23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
12-1/4	9-5/8	36	2010	930 sx reg. G w/3% CaCl
8-3/4	5-1/2	17	6400	To be determined.

Total depth of this hole is 6400' or 5' into salt. Major objective reservoir is Desert Creek Porosity from 6310' to 6395'; other possible producing zones are Honaker Trail 4645-5350' and Lower Ismay Porosity 6180-6200'. After surface casing is set, install 10" 3000 psi double gate blow out preventer; after WOC time of 12 hours, pressure test surface casing, all preventer rams and kelly cock to 2500 psi for 15 minutes using rig pump and drilling mud. All ram type BOP's will have hand wheels installed and operative at the time the preventers are installed. Two DST's are planned, one in Lower Upper Ismay and one in Lower Ismay Porosity. No coring. Logs: DIL, FDC sonic, CNL GR caliper log from surface casing to total depth; high resolution dipmeter from 4400' to total depth. If production, run 6400' of 5-1/2", 17#, K-55, 8rd thd, LT&C casing, cement requirements will be based on actual hole size as determined by caliper portion of sonic log. No hydrogen sulfide, coal, or major water flows expected. Top of salt expected at 6395'.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. Signed PAT D. Johnston Title Asst. Drlg Supt. Date May 5, 1982

(This space for Federal or State office use)

Permit No. _____ Approval Date _____
 Approved by _____ Title _____
 Conditions of approval, if any:

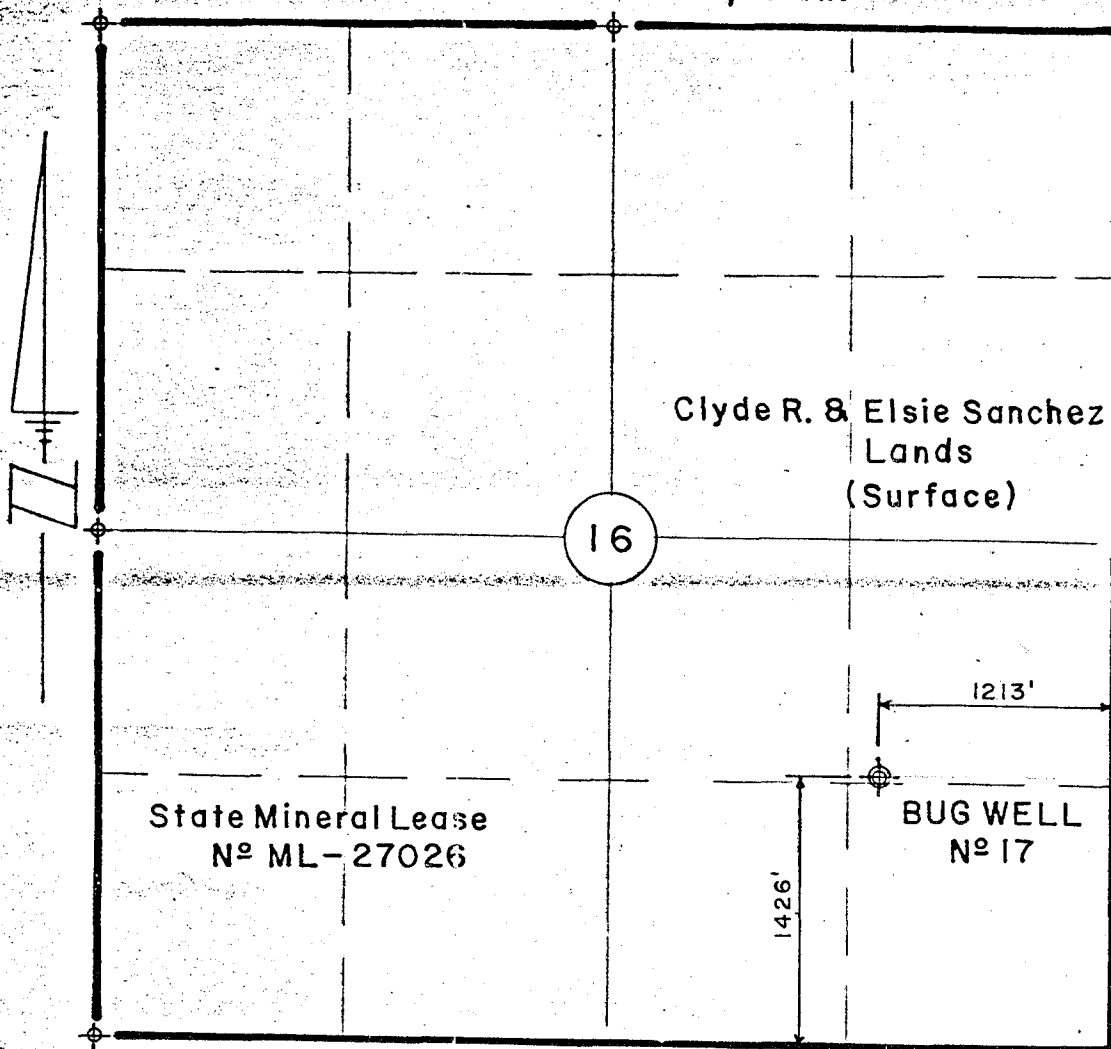
**APPROVED BY THE STATE
 OF UTAH DIVISION OF
 OIL, GAS, AND MINING**

DATE: 5/13/82

BY: [Signature]

*See Instructions On Reverse Side

T. 36 S., R. 26 E., S.L.B. & M.
SAN JUAN COUNTY, UTAH

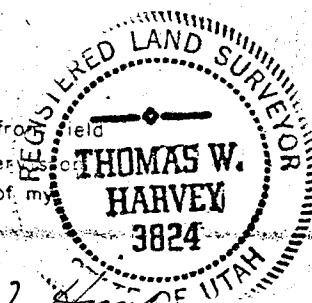


LOCATION PLAN
SCALE 1" = 1000

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge.


LEGEND

- ⊕ Well
- ⊕ Stone Corner
- ⊕ Pipe Corner



Thomas W. Harvey
ENGINEER

THOMAS W. HARVEY, UTAH REGISTRATION L.S. No 3824

ENGINEERING RECORD		 WEXPRO COMPANY	
SURVEYED BY	B & G 10/15/81		
REFERENCES	G.L.O. PLAT <input type="checkbox"/> U.S.G.S. QUAD. MAP <input checked="" type="checkbox"/>	CERTIFIED WELL LOCATION AND WELL SITE PLAN BUG WELL No 17	
LOCATION DATA			
FIELD	BUG	DRAWN B&G 10/19/81 SCALE: 1"=1000 CHECKED: <input type="checkbox"/> DRWG NO M-16365 1/4 APPROVED: RWH	
LOCATION: NE 1/4 SE 1/4 SEC 16, T. 36 S., R. 26 E., S.L.B. & M., 1426' FSL, 1213' FEL			
SAN JUAN COUNTY, UTAH		WELL ELEVATION: 6596 "AS GRADED" BY ELECTRONIC VERTICAL ANGLE ELEV. FROM CO. BENCH MARK.	

Well _____ Casing _____
Contractor and operator to furnish items checked (x)

STANDARD SLACK REQUIREMENTS					
No.	Item	Acc- 1003	1B ID	Type	Turn. by oper. COAL.
1	Drilling Nipple				
2	Flowline				
3	Fill up Line	2"			
4	Annular Preventor			10drill Caseiron Shaffer	
5	Two single or one dual Ryst. oper. rams			U. QAC F. LWS	
6	Drilling Spool with 2" and 3" outlets			Forged	
7	As Alternate to (6) Run and kill lines from outlets in this ram.				
8	Valve Gate		3 1/2		
9	Valve-Hydraulically operated Gate		3 1/2		
10	Choke Line		2 9/16		
11	Coke Valves		2 9/16		
12	Chuck Valve		2 9/16		
13	Kill Line	2"			
14	Valves-Gate		2 9/16		
15	Kill Line to Pumps	2"			
16	Casting Head				
17	Valves Gate ____ Plug ____		1 1/2		
18	Compound Pressure Gauge				
	Wear Bushing				

STANDARD CHOKE AND KILL REQUIREMENTS

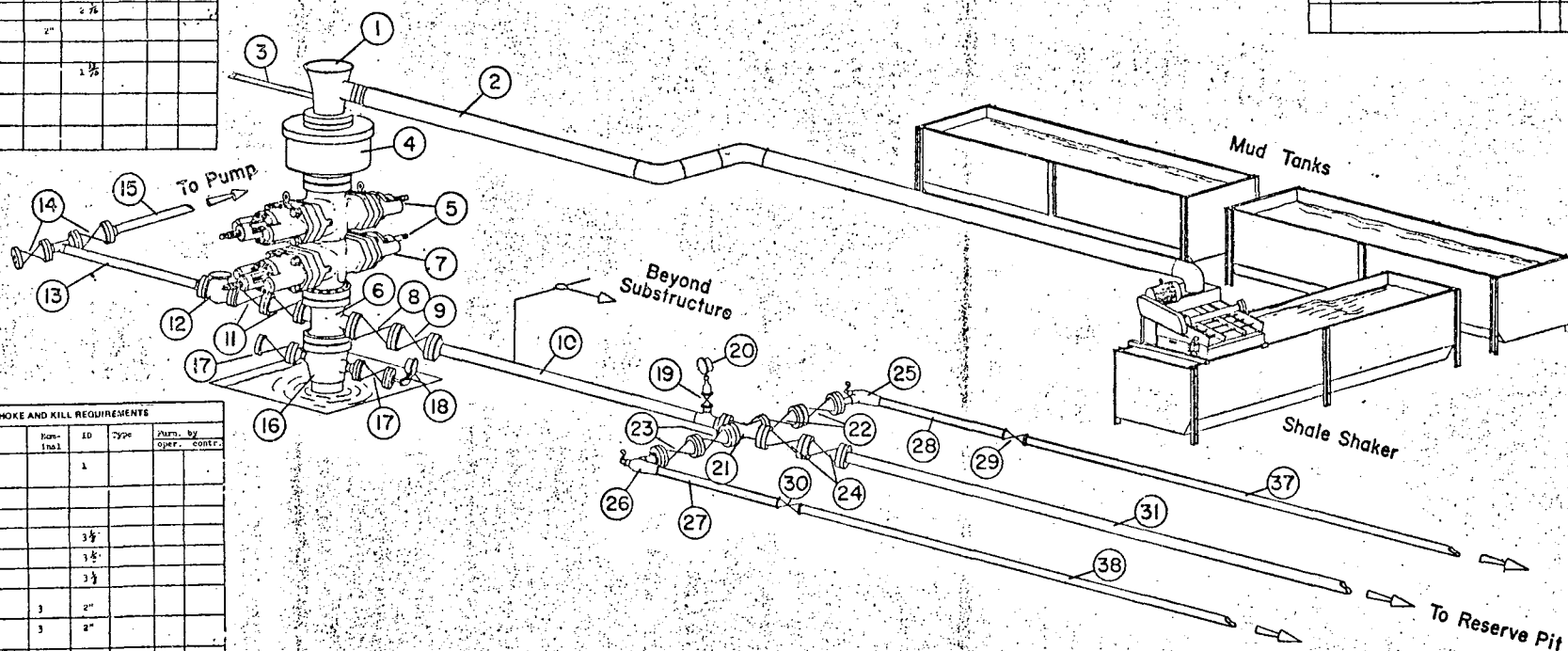
No.	Item	Material	ID	Type	Turn. by oper. contr.
19	Valve Gate P104		1		
20	Compound Pressure				
21	Cross 3"X3				
22	Valve Gate		3 1/2		
23	Valve Gate		3 1/2		
24	Valve Gate		3 1/2		
25	Choke line N-2 or Equivalent	3	2"		
26	Choke line N-2 or Equivalent	3	2"		
27	Line to Separator			2.9"	
28	Line to Separator			2.9"	
29	Valve Gate			3 1/2	
30	Valves Gate			3 1/2	
31	Line to Res. P11			2.9"	
37	Line to Res.			2.9"	
38	Line to Res. P11			2.9"	

MOUNTAIN FUEL SUPPLY COMPANY
3000 psi BLOWOUT PREVENTION EQUIPMENT

SPECIAL CHOKE AND KILL REQUIREMENTS

[illegible]

SPECIAL STACK REQUIREMENTS:

[illegible]

** FILE NOTATIONS **

DATE: May 13, 1982

OPERATOR: Wexpro Company

WELL NO: Aug #17

Location: ^{NESE} Sec. 16 T. 36S R. 26E County: San Juan

File Prepared: ☒

Entered on N.I.D: ☐

Card Indexed: ☐

Completion Sheet: ☐

API Number 43-037-30 ~~77~~ 793

CHECKED BY:

Petroleum Engineer: _____

Director: _____

Administrative Aide: as Per Order Below,

APPROVAL LETTER:

Bond Required: ☒

Survey Plat Required: ☐

Order No. 184-1, 2-27-80

O.K. Rule C-3 ☐

Rule C-3(c), Topographic Exception - company owns or controls acreage within a 660' radius of proposed site ☐

Lease Designation St.

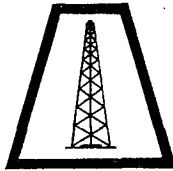
Plotted on Map ☒

Approval Letter Written ☒

Hot Line ☒

P.I. ☒

RECEIVED JUN - 7 1982



WEXPRO COMPANY

141 EAST FIRST SOUTH • P.O. BOX 11070 • SALT LAKE CITY, UTAH 84147 • PHONE (801) 532-6207

June 3, 1982

Coquina Oil Corporation
1100 Trinity Place
1801 Broadway Street
Denver, CO 80202

Amerada Hess Corporation
1250 14th Street
Suite 850
Denver, CO 80202

Attention: James P. Wason

Attention: Mary Sharon Balakas

Re: Non-Pattern Location
Bug Well #17
San Juan County, Utah

Gentlemen:

The spacing unit covering production from the Desert Creek Formation in the Bug Field provides that each well be located in the northeast 40-acre subdivision of each 160-acre spacing unit with a 200 foot tolerance.

For geological reasons, Wexpro Company had staked a location for the captioned well in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 16, Township 36 South, Range 26 East, SLM. By letter dated October 21, 1981, each of you were advised of this location and furnished with a copy of the location plat for the well. This letter also requested your consent to this non-pattern location.

On October 26, 1981, Coquina advised the Utah State Division of Oil, Gas and Mining of their consent to this location; however, on November 11th Amerada Hess Corporation advised of their objections, with the recommendation that additional testing be done on Bug Wells #10 and #12.

Wexpro Company has restaked the location for Bug Well #17 in the previous location (location plat attached), and again requests that each of you advise the Division of your consent to this non-pattern location. This should be furnished to the following address:

Coquina Oil Corporation
Amerada Hess Corporation

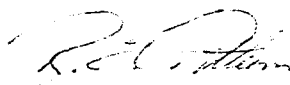
June 3, 1982
Page Two

Utah State Division of Oil, Gas and Mining
4241 State Office Building
Salt Lake City, Utah 84114

Attention: Mr. Cleon B. Feight, Director

We would appreciate your cooperation by forwarding your response as early as possible.

Very truly yours,

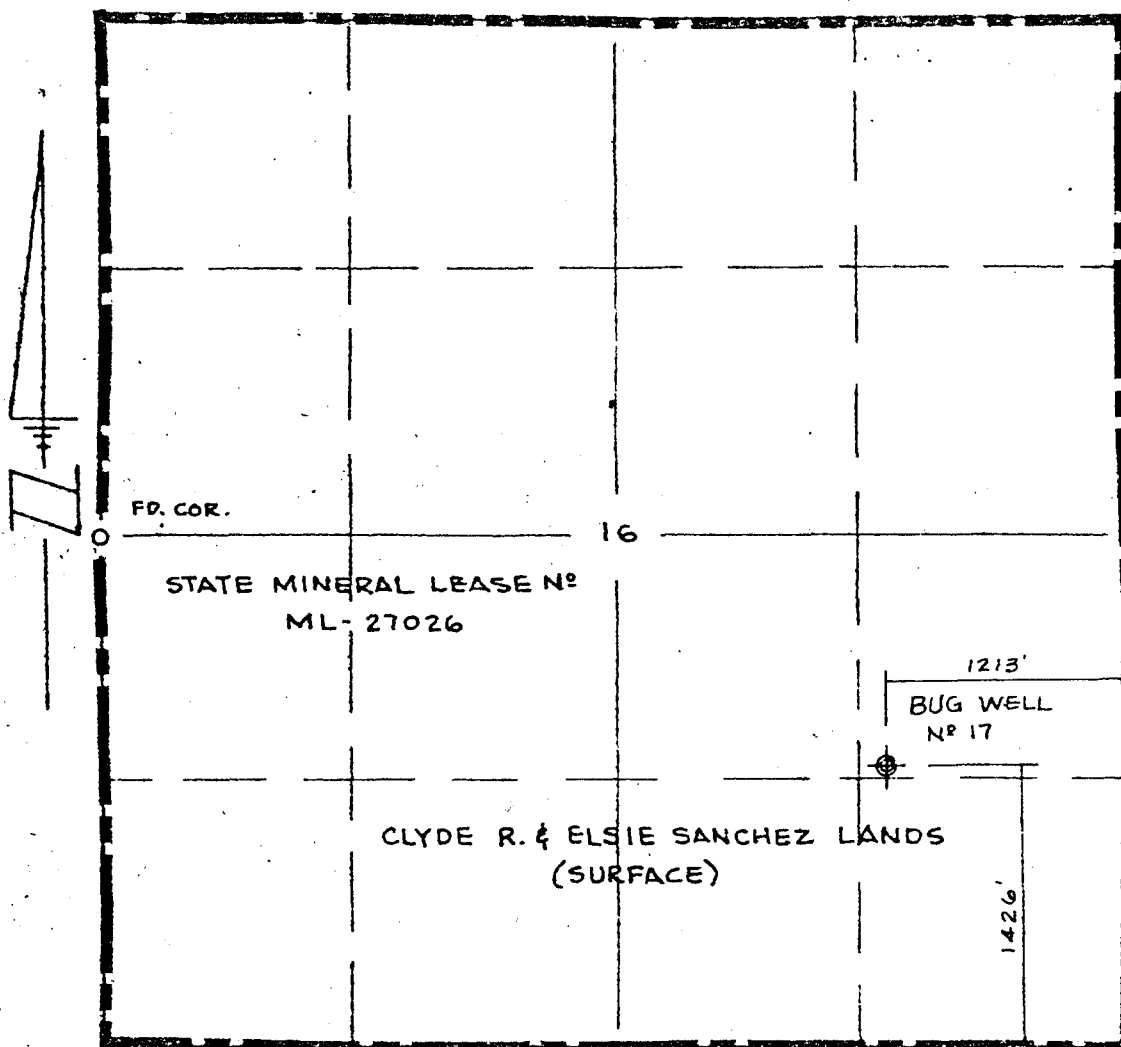


R. E. Pittam
Senior Staff Landman

REP/jc

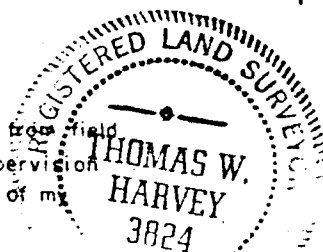
Enclosures

T. 36 S., R. 26 E., S. L.B. & M.
SAN JUAN COUNTY, UTAH



LOCATION PLAN
SCALE 1" = 1000

This is to certify that the above plat was prepared from field notes of actual surveys made by me or under my supervision and that the same are true and correct to the best of my knowledge.




LEGEND

- ⊕ Well
- ⊗ Stone Corner
- ◆ Pipe Corner

ENGINEER

THOMAS W. HARVEY, UTAH REGISTRATION L.S. No 3824

ENGINEERING RECORD		 WEXPRO COMPANY	
SURVEYED BY	N.P.R. 9-17-81		
REFERENCES	G.L.O. PLAT <input checked="" type="checkbox"/> U.S.G.S. QUAD. MAP <input checked="" type="checkbox"/>	CERTIFIED WELL LOCATION AND WELL SITE PLAN BUG WELL No 17	
LOCATION DATA			
FIELD	BUG		
LOCATION: NE 1/4, SE 1/4, SEC. 16, T. 36 S., R. 26 E., S. L.B. & M. 1213' FEL, 1426' FSL			
SAN JUAN COUNTY, UTAH		DRAWN: 10-13-81 CRW	SCALE: 1" = 1000
WELL ELEVATION: 6596 "AS GRADED" BY ELECTRONIC		CHECKED:	DRWG. NO. M-16365
VERTICAL ANGLE ELEV. FROM CO. BENCH MARK.		APPROVED:	1/4



COQUINA OIL CORPORATION

1100 Trinity Place
1801 Broadway Street
Denver, Colorado 80202
Telephone (303) 629-5101

June 9, 1982

Utah State Division of
Oil and Gas and Mining
4241 State Office Building
Salt Lake City, Utah 84114

Attention: Mr. Cleon B. Freight, Director

RE: BUG POINT PROSPECT
Township 36 South - Range 26 East
Non-pattern location
Bug Well #17
San Juan County, Utah

Gentlemen:

Wexpro Company has recently restaked a location for the Bug Well #17 in the NE/4SE/4 of Section 16, Township 36 South - Range 26 East, San Juan County, Utah. Coquina Oil Corporation has no objections to this non-pattern location.

Should you need any additional information, please do not hesitate to contact me.

Sincerely,

James P. Wason
District Land Manager

JPW:nlv

RECEIVED

JUN 11 1982

DIVISION OF
OIL, GAS & MINING

AMERADA HESS CORPORATION

1380 LAWRENCE STREET
SUITE 500
DENVER, COLORADO 80202
303-534-4930

June 14, 1982

Utah State Division
of Oil, Gas and Mining
4241 State Office Bldg.
Salt Lake City, Utah 84114

Attention: Mr. Cleon B. Feight
Director

Re: Non-Pattern Location
Bug Well #17
San Juan County, Utah
Bed South Prospect

Gentlemen:

Please be advised that Amerada Hess Corporation does not object to the non-pattern location proposed by Wexpro Company in the NE/4SE/4 of Section 16-T36S-R26E, San Juan County, Utah.

Very truly yours,

AMERADA HESS CORPORATION

Mary Sharon Balakas

Mary Sharon Balakas
Area Landman

MSB:jmm

cc: Wexpro Company
Attn: Mr. R. E. Pittam

RECEIVED
JUN 17 1982

DIVISION OF
OIL, GAS & MINING

June 21, 1982

Wexpro Company
P.O. Box 1129
Rock Springs, Wyoming 82901

RE: Well No. Bug #17
Sec. 16, T36S, R26E
San Juan County

Insofar as this office is concerned, approval to drill the above referred to oil well is hereby granted in accordance with the Order issued in Cause No. 186-1, dated 02-27-80/

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

CLEON B. FEIGHT
Office: 533-5771
Home: 466-4455

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-037-30793.

Sincerely,

Cleon B. Feight
RONANDBJ FEIGHT
DIRECTOR

CBF:SC
cc: State Lands
Enclosure

DIVISION OF OIL, GAS AND MINING

SPODDING INFORMATION

NAME OF COMPANY: WEXPRO

WELL NAME: Bug #17

SECTION NESE 16 TOWNSHIP 36S RANGE 26E COUNTY San Juan

DRILLING CONTRACTOR Arapahoe

RIG # 7

SPODDED: DATE 8-27-82

TIME 8:30 PM

How Rotary

DRILLING WILL COMMENCE _____

REPORTED BY Paul Zubatch

TELEPHONE # 307-382-9791

DATE 8-30-82

SIGNED Cari F.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT TRIPLICATE*
(Other instructions on
reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. ML - 27026
2. NAME OF OPERATOR Wexpro Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME -
3. ADDRESS OF OPERATOR P. O. Box 1129, Rock Springs, Wyoming 82901		7. UNIT AGREEMENT NAME -
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface NE SE 1426' FSL, 1213' FEL		8. FARM OR LEASE NAME Bug
14. PERMIT NO. API #: 43-037-30793		9. WELL NO. 17
15. ELEVATIONS (Show whether DF, RT, GR, etc.) KB 5609.33' GR 6596'		10. FIELD AND POOL, OR WILDCAT Bug
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 16-36S-26E., SLB&M
		12. COUNTY OR PARISH 13. STATE San Juan Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>

(Other) Supplementary History ☒

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Depth 6348', drilling.

Spudded August 27, 1982 at 8:30 p.m., landed 9-5/8" OD, 36#, K-55, 8rd thd, ST&C casing at 1980.32' KBM, set with 600 sacks class H cement followed with 300 sacks class H cement treated with 3% calcium chloride and 1/4# flocele per sack, returned 20 barrels slurry to surface, floats held OK, cement in place August 30, 1982 at 3:30 a.m.

RECEIVED
SEP 13 1982

DIVISION OF
OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED A. J. Maser

TITLE Drilling Supt.

DATE Sept. 9, 1982

(This space for Federal or State office use)

APPROVED BY
CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

*See Instructions on Reverse Side

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE*
 (Other instructions on
 reverse side)

M

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
 Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/> 2. NAME OF OPERATOR Wexpro Company 3. ADDRESS OF OPERATOR P. O. Box 1129, Rock Springs, Wyoming 82901 4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface NE SE 1426' FSL, 1213' FEL 14. PERMIT NO. API #: 43-037-30793 15. ELEVATIONS (Show whether DF, RT, GR, etc.) KB 6609.33' GR 6596'		5. LEASE DESIGNATION AND SERIAL NO. ML - 27026 6. IF INDIAN, ALLOTTEE OR TRIBE NAME - 7. UNIT AGREEMENT NAME - 8. FARM OR LEASE NAME Bug 9. WELL NO. 17 10. FIELD AND POOL, OR WILDCAT Bug 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 16-36S-26E., SLB&M 12. COUNTY OR PARISH 13. STATE San Juan Utah
--	--	---

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF	<input type="checkbox"/>	PULL OR ALTER CASING	<input type="checkbox"/>
FRACTURE TREAT	<input type="checkbox"/>	MULTIPLE COMPLETE	<input type="checkbox"/>
SHOOT OR ACIDIZE	<input type="checkbox"/>	ABANDON*	<input type="checkbox"/>
REPAIR WELL	<input type="checkbox"/>	CHANGE PLANS	<input type="checkbox"/>
(Other) Supplementary History		<input checked="" type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF	<input type="checkbox"/>	REPAIRING WELL	<input type="checkbox"/>
FRACTURE TREATMENT	<input type="checkbox"/>	ALTERING CASING	<input type="checkbox"/>
SHOOTING OR ACIDIZING	<input type="checkbox"/>	ABANDONMENT*	<input type="checkbox"/>
(Other)		<input type="checkbox"/>	

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) *

TD 6365', rig released September 11, 1982, waiting on completion tools.

Landed 13-3/8" OD, 54.5#, K-55, 8rd thd, ST&C casing at 233.33' KBM, set with 300 sacks type B cement with 2% gel, 3% calcium chloride and 1/4# flocele per sack, returned 25 barrels cement to surface, cement in place August 10, 1982 at 1:30 p.m.

RECEIVED
 SEP 21 1982

DIVISION OF
 OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED

Lee Martin

TITLE Asst Drilling Supt.

DATE Sept. 16, 1982

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE*
 (Carry instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
 Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. ML - 27026																				
2. NAME OF OPERATOR Wexpro Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME -																				
3. ADDRESS OF OPERATOR P. O. Box 458, Rock Springs, Wyoming 82901		7. UNIT AGREEMENT NAME -																				
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface NE SE 1426' FSL, 1213' FEL		8. FARM OR LEASE NAME Bug																				
14. PERMIT NO. API #: 43-037-30793		9. WELL NO. 17																				
15. ELEVATIONS (Show whether DF, RT, GR, etc.) KB 6609.33' GR 6596'		10. FIELD AND POOL, OR WILDCAT Bug																				
16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data <table border="0" style="width:100%;"> <tr> <td colspan="2" style="text-align: center;">NOTICE OF INTENTION TO:</td> <td colspan="2" style="text-align: center;">SUBSEQUENT REPORT OF:</td> </tr> <tr> <td>TEST WATER SHUT-OFF <input type="checkbox"/></td> <td>PULL OR ALTER CASING <input type="checkbox"/></td> <td>WATER SHUT-OFF <input type="checkbox"/></td> <td>REPAIRING WELL <input type="checkbox"/></td> </tr> <tr> <td>FRACTURE TREAT <input type="checkbox"/></td> <td>MULTIPLE COMPLETE <input type="checkbox"/></td> <td>FRACTURE TREATMENT <input type="checkbox"/></td> <td>ALTERING CASING <input type="checkbox"/></td> </tr> <tr> <td>SHOOT OR ACIDIZE <input type="checkbox"/></td> <td>ABANDON* <input type="checkbox"/></td> <td>SHOOTING OR ACIDIZING <input type="checkbox"/></td> <td>ABANDONMENT* <input type="checkbox"/></td> </tr> <tr> <td>REPAIR WELL <input type="checkbox"/></td> <td>CHANGE PLANS <input type="checkbox"/></td> <td>(Other) <input type="checkbox"/></td> <td></td> </tr> </table>		NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:		TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>	FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>	SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>	REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>		11. SEC., T., R., M., OR SLE. AND SURVEY OR AREA 16-36S-26E., SLB&M
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:																				
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>																			
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>																			
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>																			
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) <input type="checkbox"/>																				
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)* TD 6365', PBD 6330', well shut in. Rigged up work over, perforated 6298-6310' with 2 holes per foot, applied 10,000 gallons 28% HCL acid with 10,000 gallons WF-40 and 800 Scf nitrogen per barrel, well pumped 21 barrels of oil per day. Final report.		12. COUNTY OR PARISH San Juan																				
13. STATE Utah																						

18. I hereby certify that the foregoing is true and correct

SIGNED

A. J. Maser

TITLE Drilling Supt.DATE Nov. 2, 1982

(This space for Federal or State office use)

APPROVED BY _____

TITLE _____

DATE _____

CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

5. LEASE DESIGNATION AND SERIAL NO.

ML - 27026

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Bug

9. WELL NO.

17

10. FIELD AND POOL, OR WILDCAT

Bug

11. SEC., T., R., M., OR BLOCK AND SURVEY
OR AREA

16-36S-26E., SLB&M

12. COUNTY OR
PARISH

San Juan

13. STATE

Utah

19. ELEV. CASINGHEAD

1a. TYPE OF WELL: OIL WELL ☒ GAS WELL ☐ DRY ☐ Other _____

b. TYPE OF COMPLETION:

NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ Other _____

2. NAME OF OPERATOR

Wexpro Company

3. ADDRESS OF OPERATOR

P. O. Box 458, Rock Springs, Wyoming 82901

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface NE SE 1426' FSL, 1213' FEL

At top prod. interval reported below

At total depth

14. PERMIT NO. _____ DATE ISSUED _____

API #: 43-037-30793

15. DATE SPUDDED

8-27-82

16. DATE T.D. REACHED

9-9-82

17. DATE COMPL. (Ready to prod.)

10-30-82

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

KB 6609.33' GR 6596

20. TOTAL DEPTH, MD & TVD

6365

21. PLUG, BACK T.D., MD & TVD

6330

22. IF MULTIPLE COMPL.,
HOW MANY*23. INTERVALS
DRILLED BY

ROTARY TOOLS

0-6365

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

6298 - 6310' Desert Creek

25. WAS DIRECTIONAL
SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

DIL, BHC, CNL/FDC, PDT

27. WAS WELL CORRED

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8	54.5	233.33	17-1/2	300	0
9-5/8	36	1,980.32	12-1/4	900	0
5-1/2	17	6,362.77	8-3/4	550	0

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8	6323.08	
					1,315	6243.79	

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

6298-6310', jet, 2 holes per foot

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6298-6310	10,000 gals 28% HCL, 10,000 gallons WF-40 & 800 Scf nitrogen

33.* PRODUCTION

DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)					WELL STATUS (Producing or shut-in)	
10-25-82		Pumping					Shut in	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO	
10/25-27/72	58	-	→					
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)		
0	200	→	21	-	-			

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Vented while testing

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

Logs as above

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

James L. ...

TITLE Director, Petroleum Engrg

DATE 11-2-82

*(See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 38, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES:

SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TOP	TRUE VERT. DEPTH
				Log tops:			
				Morrison	0'		
				Honaker Trail	4656		
				Paradox	5341		
				Upper Ismay	5814		
			Lower	Upper Ismay	5996		
				Ismay Shale	6045		
			Lower	Ismay Porosity	6175		
			Lower	B Zone	6189		
				Desert Creek	6244		
				Lower Bench	6287		
				Creek Porosity	6299		
			Desert	Salt	6372'		

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE*
(On instructions on
reverse side)

2
9

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. ML-27026	
2. NAME OF OPERATOR Wexpro Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME ---	
3. ADDRESS OF OPERATOR P. O. Box 458, Rock Springs, Wyoming 82902		7. UNIT AGREEMENT NAME ---	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface NE SE, 1426' FSL, 1213' FEL		8. FARM OR LEASE NAME Bug	
14. PERMIT NO. 43-037-30793		9. WELL NO. 17	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) GR 6596'		10. FIELD AND POOL, OR WILDCAT Desert Creek	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 16-36S-26E	
		12. COUNTY OR PARISH San Juan	13. STATE Utah

Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>
(Other) <input type="checkbox"/>	

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
(Other) <input type="checkbox"/> Suspension of Production	(Other) <input checked="" type="checkbox"/>

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The above captioned well has paraffin plugging the flowline. The well was shut-in on March 17, 1986. The well will remain shut-in until the price of oil increases to the point that the well can justify the expenditure associated with hot oiling the flowline. A sundry notice will be sent when and if the well is turned on.

RECEIVED
JUN 23 1986

DIVISION OF
OIL, GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED Harry L. Linn TITLE Director, Petroleum Eng. DATE April 25, 1986

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE*
 (other instructions on
 reverse side)

9

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
 Use "APPLICATION FOR PERMIT—" for such proposals.)

1. <input type="checkbox"/> OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER 2. NAME OF OPERATOR Wexpro Company 3. ADDRESS OF OPERATOR P. O. Box 458, Rock Springs, Wyoming 82902 4. LOCATION OF WELL (Report location clearly and in accordance with and State requirements. See also space 17 below.) At surface NE SE, 1426' FSL, 1213' FEL 14. PERMIT NO. 43-037-30793		5. LEASE DESIGNATION AND SERIAL NO. ML-27026 6. IF INDIAN, ALLOTTEE OR TRIBE NAME --- 7. UNIT AGREEMENT NAME --- 8. FARM OR LEASE NAME Bug 9. WELL NO. 17 10. FIELD AND POOL, OR WILDCAT Bug 11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 16-36S-26E, SLB & M 12. COUNTY OR PARISH San Juan 13. STATE Utah
---	--	---

RECEIVED

DIVISION OF
OIL, GAS & MINING

JAN 30 1989

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> SHOOT OR ACIDIZE <input type="checkbox"/> REPAIR WELL <input type="checkbox"/> (Other) See Below	PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETE <input type="checkbox"/> ABANDON* <input type="checkbox"/> CHANGE PLANS <input checked="" type="checkbox"/>
---	--

SUBSEQUENT REPORT OF:

WATER SHUT-OFF <input type="checkbox"/> FRACTURE TREATMENT <input type="checkbox"/> SHOOTING OR ACIDIZING <input type="checkbox"/> (Other)	REPAIRING WELL <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> ABANDONMENT* <input type="checkbox"/>
---	--

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) *

On December 29, 1988, a workover commenced to replace the sucker rod pump in Bug Well No. 17. A slip fell in the wellbore which lodged against the tubing anchor and prohibited the tubing from being pulled. The tubing was shot off leaving the following:

- 1 2-3/8-inch O.D. Seal Lock Collar
- 1 2-3/8-inch 8 rd by 2-3/8-inch Seal Lock
- 1 2-3/8-inch EUE Collar
- 1 2-7/8-inch by 2-3/8-inch 8 rd Swedge
- 1 2-7/8-inch Tubing Anchor
- 1 2-7/8-inch Collar
- 1 2-3/8-inch by 2-7/8-inch 8 rd Swedge
- 1 Joint 2-3/8-inch O.D., 8 rd thrd, EUE Tubing
- 1 Seating Nipple with Collar
- 1 Joint 2-3/8-inch O.D., 8 rd thrd, EUE Tubing
- 1 Shop-Made Closing Tool

Approximately 5 feet of parted joint of tubing, 1-16 foot Rod Pump, 1 1-1/2-inch x 25 foot Sinker Bar

Wexpro Company requests permission to leave the fish in the hole and when the well becomes uneconomic and requires plugging, the Desert Creek perforations and fish be cemented as currently described.

18. I hereby certify that the foregoing is true and correct

SIGNED H. R. Bryan TITLE District Manager DATE 1/25/89

(This space for Federal or State office use)

APPROVED BY _____
 CONDITIONS OF APPROVAL, IF ANY:

TITLE _____

**APPROVED BY THE STATE
 OF UTAH DIVISION OF
 OIL, GAS, AND MINING**

DATE: 1-2-89
 BY: John R. Baker

*See Instructions on Reverse Side

**STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL GAS AND MINING**

FEB 20 1996

5. LEASE DESIGNATION AND SERIAL NUMBER

ML-27026

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Bug

9. WELL NO.

17

10. FIELD AND POOL, OR WILDCAT

Bug - Desert Creek

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

16-36S-26E, SLB&M

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill, or to deepen, or plug-back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR
WEXPRO COMPANY

3. ADDRESS OF OPERATOR
P. O. BOX 458, ROCK SPRINGS, WY 82902 (307) 382-9791

4. LOCATION OF WELL (Report location clearly and in accordance with any state requirements.*

See also space 17. below.)

At surface

NE SE 1426' FSL, 1213' FEL

14. PERMIT NUMBER

API #43-037-30793

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

KB 6609.33' GR 6596

12. COUNTY OR PARISH

San Juan

13. STATE

Utah

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

Test Water Shut-Off ☐Fracture Treat ☐Shoot or Acidize ☐Repair Well ☐(Other) ☐Pull or Alter Casing ☐Recomplete ☐Abandon ☒Change Plans ☐

SUBSEQUENT REPORT OF:

Water Shut-off ☐Fracture Treatment ☐Shooting or Acidizing ☐(Other) ☐Repairing Well ☐Altering Casing ☐Abandonment ☐

(Note: Report results of multiple completion on Well Completion or Recompletion and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If the well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.

Wexpro intends to plug & abandon this well according to the following procedure:

- 1) MIRU workover rig. Reverse circ. the well w/hot water for well control.
- 2) Pull & lay down the 1.315" tbg. Install a 6" 3000 psi BOP & pull & lay down the rods & pump & stand back the 2-3/8" tbg.
- 3) PU a retainer & run & set on tbg @ 6200'. Mix & pump 50 sks of cmt as follows. Pump 30 sks below the retainer into the perfs @ 6298'-6310'. Sting out & leave a 100' plug on top of the retainer.
- 4) Place a 100 bbl 9 ppg poz/gel spacer from 6100'-2000'. POH w/tbg, standing back 2000'.
- 5) Perforate the 5-1/2" csg @ 2030'. PU a cmt retainer & run & set on tbg @ 1930'. Mix & circ. a 50 sk cmt plug below the retainer & into the 5-1/2" x 9-5/8" annulus. The theoretical top of the plug in the annulus will be @ 1865'.
- 6) Place a 50 bbl 9 ppg poz/gel spacer from 1930'-surface. POH LD remainder tbg.
- 7) Perforate the 5-1/2" csg @ 50'. Mix & circ. into place a 50' surface plug in both the 5-1/2" csg & the 5-1/2" x 9-5/8" annulus.
- 8) Cut off the wellhead & install a regulation dry hole marker.
- 9) Location reclamation will be according to UDOGM stipulations.

18. I hereby certify that the foregoing is true and correct.

SIGNED

TITLE

OPERATIONS MANAGER

DATE

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

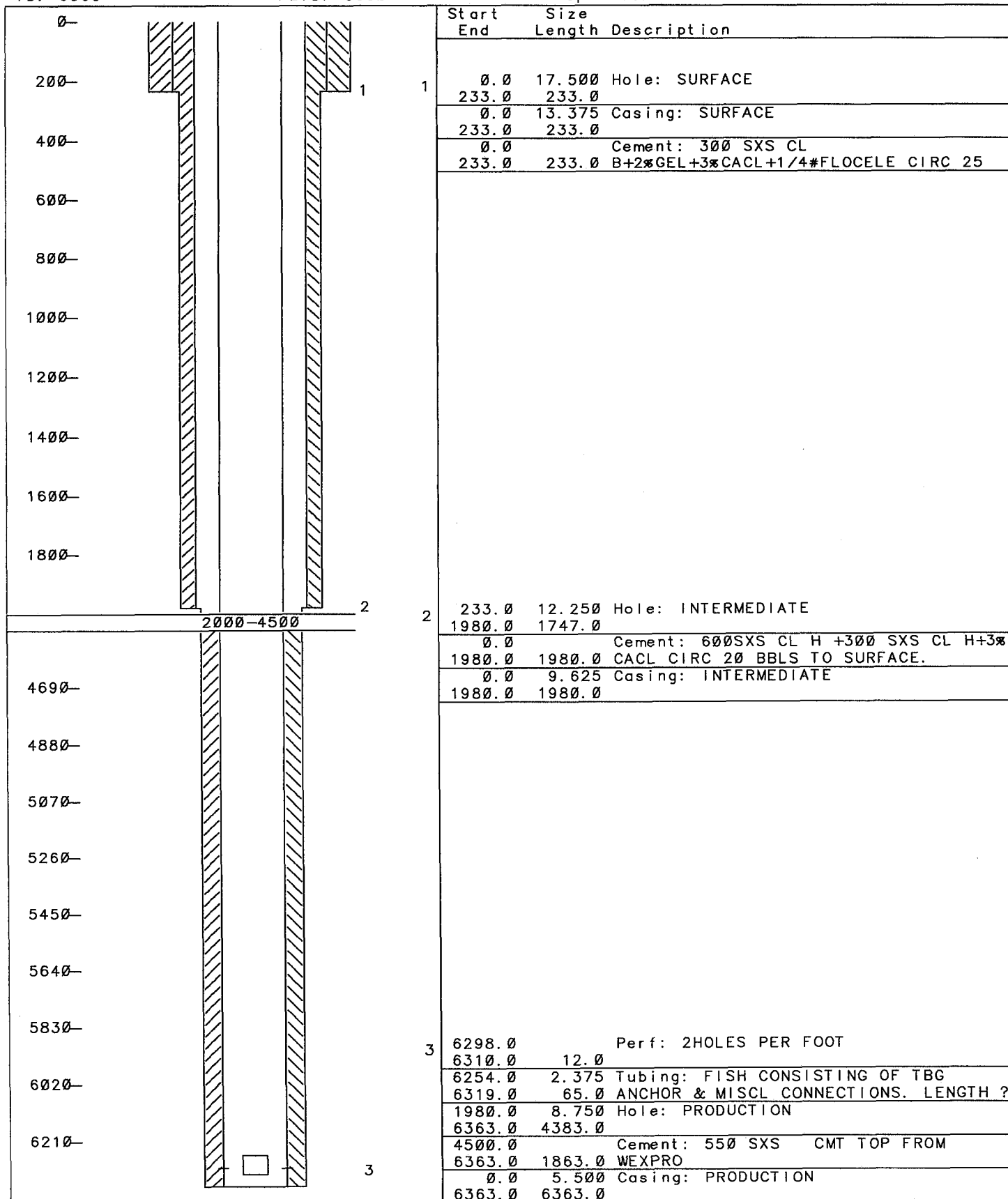
CONDITIONS OF APPROVAL, IF ANY:

Lease: BUG
Well #: 17

Spud Date: 08/27/1982
KB: 6609
TD: 6365

Comp Date: 10/30/1982
ELEV: 6596
PBD: 6330

API #: 43-037-30793-
Location: Sec 16 Twn 36S Rng 26E
County: SAN JUAN
State: UTAH
Field: BUG
Operator: WEXPRO COMPANY





State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340
801-359-3940 (Fax)
801-538-5319 (TDD)

February 21, 1996

STIPULATIONS FOR PLUGGING AND ABANDONMENT
BUG #17
SECTION 16, TOWNSHIP 36 SOUTH, RANGE 26 EAST
SAN JUAN COUNTY, UTAH
API #43-037-30793

1. Notify the Division of Oil, Gas and Mining at least 24 hours prior to beginning plugging.
2. It is not necessary to perforate the 5 1/2" casing. A balanced cement plug 50' below and 50' above the surface shoe will suffice.
3. A 50' plug at the surface inside the 5 1/2" casing and fill all open annulus to the surface with a 50' plug.



STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE*

(Other instructions on reverse side)

MAR 6 1996

5. LEASE DESIGNATION AND SERIAL NO.

ML-27026

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug-back to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals.)

1. OIL <input type="checkbox"/> GAS <input type="checkbox"/> WELL <input checked="" type="checkbox"/> WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		7. UNIT AGREEMENT NAME -----	
2. NAME OF OPERATOR WEXPRO COMPANY		8. FARM OR LEASE NAME BUG	
3. ADDRESS OF OPERATOR P. O. BOX 458, ROCK SPRINGS, WY 82902		9. WELL NO. NO. 17	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements* See also space 17 below.) At surface NE SE 1426' FSL, 1213' FEL		10. FIELD AND POOL, OR WILDCAT BUG - DESERT CREEK	
11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 16-36S-26E, SLB&M			
14. PERMIT NO. API No. 43-037-30793	15. ELEVATIONS (Show whether DF, RT, GR, etc.) KB6609.33' GR 6596	12. COUNTY or PARISH SAN JUAN	13. STATE UTAH

16. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐
 FRACTURE TREAT ☐
 SHOOT OR ACIDIZE ☐
 REPAIR WELL ☐
 (Other) ☐

PULL OR ALTER CASING ☐
 MULTIPLE COMPLETE ☐
 ABANDON* ☒
 CHANGE PLANS ☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐
 FRACTURE TREATMENT ☐
 SHOOTING OR ACIDIZING ☐
 (Other) ☐

REPAIRING WELL ☐
 ALTERING CASING ☐
 ABANDONMENT* ☐

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

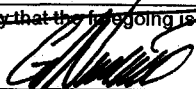
17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The existing buried 3" production, 2" fresh water injection and 2" fuel gas lines installed from Bug No. 17 location to Bug C Battery will be abandoned in place. The production line will be purged, displaced with fresh water and capped underground. The fuel gas line will be depressured and capped underground. The fresh water injection line will be drained and capped underground.

Talked to Ed Bonner surface sold in 1948. Surface now belongs to Clyde + Elysa Sanchez P.O. Box 208, Ware Creek, Colo. 81324, per recorder office in Monticello, Utah.

18. I hereby certify that the foregoing is true and correct

SIGNED



TITLE OPERATIONS MANAGER

DATE

03/01/96

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

Division of Oil, Gas and Mining
PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to

☐ Well File

☐ Suspense

☐ Other

(Location) Sec 16 Twp 36S Rng 26E

(Return Date) _____

(API No.) 43-037-30793

(To - Initials) _____

1. Date of Phone Call: 3/11/96 Time: 8:10

2. DOGM Employee (name) FR MATTHEWS (Initiated Call ☒)
Talked to:

Name G. Nemo (Initiated Call ☐) - Phone No. ()

of (Company/Organization) Wexpro

3. Topic of Conversation: Surface restriction of location.

4. Highlights of Conversation: Told Mr. Nemo he would have to contact the Sanchez's in Dove Creek, Colo and I was sure he had a surface agreement with them that would dictate how they handle the production lines and that I would not return this Sunday.

Matthews

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

5. LEASE DESIGNATION AND SERIAL NO.

ML-27026

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug-back to a different reservoir.
 Use "APPLICATION FOR PERMIT--" for such proposals.)

1. OIL GAS
 WELL ☒ WELL ☐ OTHER

7. UNIT AGREEMENT NAME

2. NAME OF OPERATOR
 WEXPRO COMPANY

8. FARM OR LEASE NAME
 BUG

3. ADDRESS OF OPERATOR
 P. O. BOX 458, ROCK SPRINGS, WY 82902

PHONE NUMBER

(307) 382-9791

9. WELL NO.

NO. 17

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements*
 See also space 17 below.)
 At surface

NE SE 1426' FSL, 1213' FEL

10. FIELD AND POOL, OR WILDCAT

BUG - DESERT CREEK

11. SEC., T., R., M., OR BLK. AND
 SURVEY OR AREA

16-36S-26E, SLB&M

14. PERMIT NO.
 API No. 43-037-30793

15. ELEVATIONS (Show whether DF, RT, GR, etc.)
 KB6609.33' GR 6596

12. COUNTY or PARISH
 SAN JUAN

13. STATE
 UTAH

16. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐
 FRACTURE TREAT ☐
 SHOOT OR ACIDIZE ☐
 REPAIR WELL ☐
 (Other) ☐

PULL OR ALTER CASING ☐
 MULTIPLE COMPLETE ☐
 ABANDON* ☐
 CHANGE PLANS ☐

EXTENSION

SUBSEQUENT REPORT OF:

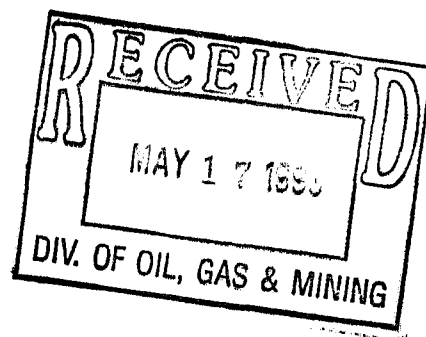
WATER SHUT-OFF ☐
 FRACTURE TREATMENT ☐
 SHOOTING OR ACIDIZING ☐
 (Other) ☐

REPAIRING WELL ☐
 ALTERING CASING ☐
 ABANDONMENT* ☐

(NOTE: Report results of multiple completion on Well
 Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Wexpro Company respectfully requests a three (3) month extension to plug and abandon the captioned well.
 Based on the success of other producers with comparable wells, we are currently reviewing this well as a horizontal re-entry candidate.



18. I hereby certify that the foregoing is true and correct

SIGNED

TITLE OPERATIONS MANAGER

DATE

05/14/96

(This space for Federal or State office use)

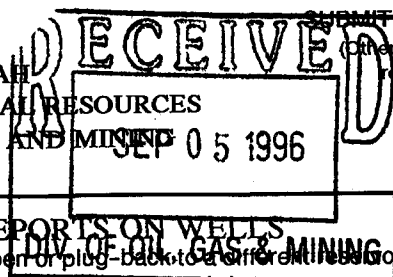
APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING



SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug-back to a different reservoir.
Use "APPLICATION FOR PERMIT--" for such proposals.)

1. OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. ML-27026	
2. NAME OF OPERATOR WEXPRO COMPANY		6. IF INDIAN, ALLOTTEE OR TRIBE NAME 	
3. ADDRESS OF OPERATOR P. O. BOX 458, ROCK SPRINGS, WY 82902		7. UNIT AGREEMENT NAME 	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements* See also space 17 below.) At surface NE SE 1426' FSL, 1213' FEL		8. FARM OR LEASE NAME BUG	
14. PERMIT NO. API No. 43-037-30793		9. WELL NO. NO. 17	
15. ELEVATIONS (Show whether DF, RT, GR, etc.) KB6609.33' GR 6596		10. FIELD AND POOL, OR WILDCAT BUG - DESERT CREEK	
		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 16-36S-26E, SLB&M	
		12. COUNTY or PARISH SAN JUAN	13. STATE UTAH

16. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF ☐
FRACTURE TREAT ☐
SHOOT OR ACIDIZE ☐
REPAIR WELL ☐
(Other) ☐

PULL OR ALTER CASING ☐
MULTIPLE COMPLETE ☐
ABANDON* ☐
CHANGE PLANS ☐

EXTENSION ☐

SUBSEQUENT REPORT OF:

WATER SHUT-OFF ☐
FRACTURE TREATMENT ☐
SHOOTING OR ACIDIZING ☐
(Other) ☐

REPAIRING WELL ☐
ALTERING CASING ☐
ABANDONMENT* ☐

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Wexpro Company respectfully requests a one (1) year extension to plug and abandon the captioned well. We have been actively reviewing our options with regard to returning this well to producing status. We are currently evaluating re-entering this well, or others for horizontal drilling. We have been encouraged by the success of other operators in the Greater Aneth field with horizontal drilling and recompletions. We are currently exploring all of our recompletion options in the Bug area in an attempt to identify the best possible candidates. Since this process takes a great deal of time and involves the concurrence of partners, this extension is necessary.

Wexpro believes it is in the best interest of everyone, both economically and environmentally, to preserve the Bug No. 14 wellbore for possible re-entry rather than to plug it now and drill another well later.

18. I hereby certify that the foregoing is true and correct

SIGNED

TITLE OPERATIONS MANAGER

DATE

08/28/96

(This space for Federal or State office use)

APPROVED BY

TITLE

DATE

9/6/96

CONDITIONS OF APPROVAL, IF ANY:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug-back to a different reservoir.
 Use "APPLICATION FOR PERMIT--" for such proposals.)

1. OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER		5. LEASE DESIGNATION AND SERIAL NO. ML-27026
2. NAME OF OPERATOR WEXPRO COMPANY		6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA
3. ADDRESS OF OPERATOR P. O. BOX 458, ROCK SPRINGS, WY 82902		7. UNIT AGREEMENT NAME NA
PHONE NUMBER (307) 382-9791		8. FARM OR LEASE NAME BUG
4. LOCATION OF WELL. (Report location clearly and in accordance with any State requirements* See also space 17 below.) At surface NE SE, 1426' FSL, 1213' FEL		9. WELL NO. No. 17
10. FIELD AND POOL, OR WILDCAT BUG		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 16-36S-26E
14. PERMIT NO. 43-037-30793	15. ELEVATIONS (Show whether DF, RT, GR, etc.) 6596' GR	12. COUNTY OR PARISH SAN JUAN
		13. STATE UTAH

Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data**NOTICE OF INTENTION TO:**TEST WATER SHUT-OFF ☐FRACTURE TREAT ☐SHOOT OR ACIDIZE ☐REPAIR WELL ☐

(Other)

Well Shut-inPULL OR ALTER CASING ☐MULTIPLE COMPLETE ☐ABANDON* ☐CHANGE PLANS ☐**X****SUBSEQUENT REPORT OF:**WATER SHUT-OFF ☐FRACTURE TREATMENT ☐SHOOTING OR ACIDIZING ☐

(Other)

REPAIRING WELL ☐ALTERING CASING ☐ABANDONMENT* ☐

(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

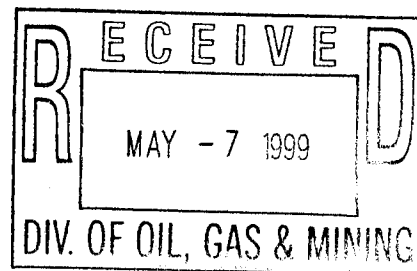
Attached is a completion report and schematic of the captioned well. The 9-5/8-inch casing is set at 1980 feet KBM approximately twenty (20) feet into the Chinle Formation which is shale and well below any known fresh water zones.

We are continuing to evaluate this well for recompletion, re-entry and horizontal drilling potential. Based on current low oil prices, it's not economically viable to undertake any of the aforementioned activities.

**APPROVED BY THE STATE
 OF UTAH DIVISION OF
 OIL, GAS, AND MINING**

DATE: 5-13-99BY: [Signature]

COPY SENT TO OPERATOR
 Date: 5-14-99
 Initials: CHD



18. I hereby certify that the foregoing is true and correct

SIGNED [Signature]TITLE G. T. Nimmo, Operations ManagerDATE May 4, 1999

(This space for Federal or State office use)

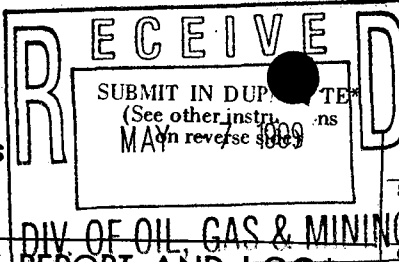
APPROVED BY _____

TITLE _____

DATE _____

CONDITIONS OF APPROVAL, IF ANY: _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING



WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NO.

ML - 27026

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Bug

9. WELL NO.

17

10. FIELD AND POOL, OR WILDCAT

Bug

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA

16-36S-26E., SLB&M

12. COUNTY OR PARISH

San Juan

13. STATE

Utah

1a. TYPE OF WELL:

OIL

WELL

☒

GAS

WELL

☐

DRY

☐

Other

b. TYPE OF COMPLETION:

NEW

WELL

☒

WORK

OVER

☐

DEEP-

EN

☐

PLUG

BACK

☐

DIFF.

RESVR.

☐

Other

2. NAME OF OPERATOR

Wexpro Company

3. ADDRESS OF OPERATOR

P. O. Box 458, Rock Springs, Wyoming 82901

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface

NE SE

1426' FSL,

1213' FEL

At top prod. interval reported below

At total depth

14. PERMIT NO.

DATE ISSUED

API #: 43-037-30793

15. DATE SPUDDED

8-27-82

16. DATE T.D. REACHED

9-9-82

17. DATE COMPL. (Ready to prod.)

10-30-82

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

KB 6609.33' GR 6596

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

6365

21. PLUG, BACK T.D., MD & TVD

6330

22. IF MULTIPLE COMPL., HOW MANY*

23. INTERVALS DRILLED BY

ROTARY TOOLS

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

6298 - 6310' Desert Creek

25. WAS DIRECTIONAL SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

DIL, BHC, CNL/FDC, HDT

27. WAS WELL CORED

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13-3/8	54.5	233.33	17-1/2	300	0
9-5/8	36	1,980.32	12-1/4	900	0
5-1/2	17	6,362.77	8-3/4	550	0

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8	6323.08	
					1,315	6243.79	

31. PERFORATION RECORD (Interval, size and number)

6298-6310', jet, 2 holes per foot

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6298-6310	10,000 gals 28% HCL, 10,000 gallons WF-40 & 800 Scf nitrogen

33.*

PRODUCTION

DATE FIRST PRODUCTION

10-25-82

PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)

Pumping

WELL STATUS (Producing or shut-in)

Shut in

DATE OF TEST

10/25-27/72

HOURS TESTED

58

CHOKE SIZE

-

PROD'N. FOR TEST PERIOD

OIL—BBL.

GAS—MCF.

WATER—BBL.

GAS-OIL RATIO

FLOW, TUBING PRESS.

0

CASING PRESSURE

200

CALCULATED 24-HOUR RATE

21

OIL—BBL.

GAS—MCF.

WATER—BBL.

OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Vented while testing

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

Logs as above

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

TITLE Director, Petroleum Engrg

DATE 11-2-82

*(See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 38, below regarding separate reports for separate completions.

If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments. **Items 22 and 24:** If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES:

SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TOP	TRUE VERT. DEPTH
				Log tops:			
				Morrison	0'		
				Honaker Trail	4656		
				Paradox	5341		
				Upper Ismay	5814		
			Lower	Upper Ismay	5996		
				Ismay Shale	6045		
			Lower	Ismay Porosity	6175		
			Lower	B Zone	6189		
				Desert Creek	6244		
				Lower Bench	6287		
				Creek Porosity	6299		
			Desert	Salt	6372'		

Well No. 17
Bug Field
NE SE Sec. 16, T. 36 S., R. 26 E.
San Juan County, Utah

Schematic-Not drawn to scale
Drilled by Wexpro Company September 1982

13-3/8" O.D. Conductor Pipe

	Net
5 jts & 1 pc 13-3/8" O.D., 54.5#, K-55, 3 round thread, ST&C casing	218.90
1 Halliburton guide shoe	1.10
	220.00

The above casing is landed @ 233.33' KBM or 13.33' below KB. Cmtd w/300 sks Type B cmt w/2% gel treated w/3% CaCl & 1/4# flocele per sk of cmt. Had good returns throughout. Ret abt 25 bbls cmt to surf. Cmt in place @ 1:30 P.M., 8-10-82.

9-5/8" O.D. Surface Casing

	Net
1 matl 10" 3000 psi casing flange tapped for 9-5/8" 8rd thrd csg	1.65
48 jts. 9-5/8" O.D., 36#, K-55, 8 rd thrd, ST&C casing	1,920.68
1 Halliburton diff fill float collar	2.30
1 t. 9-5/8" O.D., 36#, K-55, 8 rd thrd, ST&C casing	41.26
1 Halliburton guide shoe	1.10
	1,966.99

The above casing is landed @ 1980.32' KBM or 13.33' below KB. Circ csg 1/2 hr w/rig pump prior to cmtg w/600 sks Class H regular cmt. Followed w/300 sks Class H regular treated w/3% CaCl & 1/4# flocele per sk. Full rets while circ, mixing, and displacing. Ret 20 bbls slurry to surface. Bumped plug at 400 psi. Float held okay. Cmt in place @ 3:30 A.M., 8-30-81.

5-1/2" O.D. Production Casing

	Net
1 pc. 5-1/2" O.D., 17#, K-55, 8 rd thrd, LT&C casing	17.61
16 jts. 5-1/2" O.D., 17#, K-55, 8 round thread, LT&C casing	6,304.04
1 Halco diff fill float collar	1.72
1 jt. 5-1/2" O.D., 17#, K-55, 8 rd thrd, LT&C casing	25.30
1 Halco guide shoe	0.77
	6,349.44

Above casing is landed @ 6362.77' KBM or 13.33' below KB. Cemented w/550 sks 50-50 Pozmix w/2% gel. Good rets throughout cmtg operations. Ret no slurry to surf. Bumped plug w/2200 psig, 500 psi over disp pressure. Floating equipment held okay. Cmt in place @ 9:06 A.M., 9-11-82.

See attachment for details of 2-3/8" O.D. and 1.315" O.D. tubing strings

KB 6609.33'

GL 6596.00'

13.33' KB

13-3/8" O.D. casing
@ 233.33' KBM

9-5/8" O.D. casing
@ 1980.32' KBM

Cmt top behind 5-1/2"
O.D. csg @ 4500.00' by
OWP CBL run 10-19-82

1.315" O.D. tubing
@ 6243.79' KBM

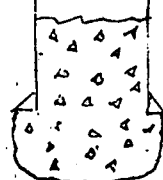
6298'
to 2 holes/ft.
6310'

2-3/8" O.D. tubing
@ 6323.90' KBM

PBTD @ 6330.00' KBM

5-1/2" O.D. casing
@ 6362.77' KBM

8-3/4" Hole
TD @ 6365.00' KBM





State of Utah

Department of
Natural Resources

Division of
Oil, Gas & Mining

ROBERT L. MORGAN
Executive Director

LOWELL P. BRAXTON
Division Director

March 19, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 6464

Mary Fox
Wexpro Company
P.O. Box 45601
Salt Lake City, Utah 84145-0601

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases.

Dear Ms. Fox,

Wexpro Company, as of March 2004, has two (2) State Lease Wells and one (1) Fee Lease Well (see attachment A) that are currently in non-compliance for extended shut-in or temporary abandonment status. Wells SI/TA beyond twelve (12) consecutive months requires filing a Sundry Notice (R649-3-36-1). Wells with five (5) years non-activity or non-productivity shall be plugged, unless the Division grants approval for extended shut-in time upon a showing of good cause by the operator (R649-3-36-1.3.3). For extended SI/TA consideration the operator shall provide the Utah Division of Oil, Gas & Mining with the following:

1. Reasons for SI/TA of the well (R649-3-36-1.1).
2. The length of time the well is expected to be SI/TA (R649-3-36-1.2), and
3. An explanation and supporting data if necessary, for showing the well has integrity, meaning that the casing, cement, equipment condition, static fluid level, pressure, existence or absence of Underground Sources of Drinking Water and other factors do not make the well a risk to public health and safety or the environment (R649-3-36-1.3).

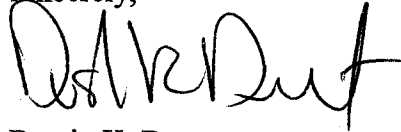
Page 2
Mary Fox
March 19, 2004

Submitting the information suggested below may help show well integrity and may help qualify your well for extended SI/TA. **Note: As of July 1, 2003, wells in violation of the SI/TA rule R649-3-36 may be subject to full cost bonding (R649-3-1-4.2, 4.3).**

1. Wellbore diagram, and
2. Copy of recent casing pressure test, and
3. Current pressures on the wellbore (tubing pressure, casing pressure, and casing/casing annuli pressure) showing wellbore has integrity, and
4. Fluid level in the wellbore, and
5. An explanation of how the submitted information proves integrity.

If the required information is not received within 30 days of the date of this notice, further actions may be initiated. If you have any questions concerning this matter, please contact me at (801) 538-5281.

Sincerely,



Dustin K. Doucet
Petroleum Engineer

jc
cc: John Baza
Well File
SITLA

	Well Name	API	Lease Type	Years Inactive
1	Carter-Leverton St 1	43-037-10529	State	10 Years 11 Months
2	Bug 17	43-037-30793	State	10 Years 11 Months
1	Piute Knoll 1	43-037-30097	Fee	10 Years 11 Months

Attachment A

**WEXPRO COMPANY**

1955 Blairtown Road (82901)
P. O. Box 458
Rock Springs, WY 82902
Tel (307) 382-9791
Fax (307) 352-7575

Chris Beilby

Senior Petroleum Engineer
Tel (307) 352-7566
Email – chris.beilby@questar.com

May 21, 2004

Dustin Doucet
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Extension of SI/TA Status
Bug Well No. 17 – API# 43-037-30793
Carter Leverton State No.1 – API # 43-037-10529
Piute Knoll No.1 – API# 43-037-30097

Dustin,

This letter is in response to your letter dated March 19, 2004 requesting additional information supporting the continued SI/TA status of the subject wells.

Regarding the Carter Leverton State No. 1 and Piute Knoll No. 1; Wexpro is not requesting continued SI/TA status for these wells. Both wells are scheduled to be plugged and abandoned in the fall of 2004 and the notice of intent to abandon Sundries for each well have been approved by your office.

Wexpro is requesting continued SI/TA status for Bug Well No. 17 for a period of at least one year from this date. The reason for this request is still the desire to retain this wellbore as a possible horizontal drilling candidate pending the final results of the Utah Geological Survey's study on increasing oil recoveries from the Paradox Basin using horizontal drilling techniques.

In addition, the following information is submitted in support of continued SI/TA status.

- 1.) A wellbore diagram
- 2.) A check of shut-in surface pressures made on April 14, 2004 showed the following.
2-3/8" tubing – 380 psig
2-3/8" x 5-1/2" annulus -- 427 psig
- 3.) A check of surface casing pressure made on May 20, 2004 showed the following.
5-1/2" x 9-5/8" annulus – 0 psig
- 4.) A fluid level was shot on April 15, 2004 showing the fluid level to be 520' from surface. A copy of the fluid level survey is attached.

The wellbore configuration does not allow for a casing integrity test to be conducted, but I believe the information provided demonstrates wellbore integrity. The fluid level today combined with the surface casing pressure of 427 psig indicates a reasonable value for the current BHP. Bug 17 is a tight edge well that has historically produced very little water, therefore assuming an oil gradient of 0.28 psi/ft for the wellbore fluid, the current estimated BHP is 2,045 psig at the top perforation of 6,298'. The absence of surface casing pressure is a positive indication of wellbore integrity. If the production casing had developed a leak there would likely be surface pressure seen on the 5-1/2" x 9-5/8" annulus, especially given the length of time the well has been shut-in.

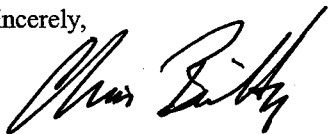
RECEIVED

MAY 26 2004

DIV. OF OIL, GAS & MINING

While the information provided here does not conclusively prove wellbore integrity, I think the absence of surface pressure and the presence of a reasonable static fluid level are good indications that wellbore integrity still exists at this time. If you have any questions regarding this information or desire more information, please contact me at the number shown above.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Beilby", written in a cursive style.

Christopher A. Beilby
Senior Petroleum Engineer

cc: Dee Findlay

TEFTELLER, INC.
RESERVOIR ENGINEERING DATA

FARMINGTON, NM
GRAND JUNCTION, CO

COMPANY: WEXPRO COMPANY

COUNTY & STATE SAN JUAN COUNTY, UTAH

DATE: 4-15-2004

PAGE 1 OF 1

FILE: 2-52456-FL

TIME:	LEASE & WELL NUMBER	STATUS OF WELL OR STROKES PER MINUTE	CASING PSIG	TUBING DEPTH	NUMBER JOINTS IN	AVERAGE TUBING LENGTH FEET	NUMBER JOINTS TO FLUID	FLUID LEVEL FEET	PERFORATIONS
	BUG NO. 17	SHUT-IN	427	6181'	202	30.59	17	520'	6298'-6310'

Well No. 17
Bug Field
NE SE Sec. 16, T. 36 S., R. 26 E.
San Juan County, Utah

Schematic-Not drawn to scale
Drilled by Wexpro Company September 1982

13-3/8" O.D. Conductor Pipe

	Net
5 jts & 1 pc 13-3/8" O.D., 54.5#, K-55, 8 round thread, ST&C casing	218.90
1 Halliburton guide shoe	1.10
	<u>220.00</u>

The above casing is landed @ 233.33' KBM or 13.33' below KB. Cmtd w/300 sks Type B cmt w/2% gel treated w/3% CaCl & 1/4# flocele per sk of cmt. Had good returns throughout. Ret abt 25 bbls cmt to surf. Cmt in place @ 1:30 P.M., 8-10-82.

9-5/8" O.D. Surface Casing

	Net
1 Natl 10" 3000 psi casing flange tapped for 9-5/8" 8rd thrd csg	1.65
48 jts. 9-5/8" O.D., 36#, K-55, 8 rd thrd, ST&C casing	1,920.68
1 Halliburton diff fill float collar	2.30
1 jt. 9-5/8" O.D., 36#, K-55, 8 rd thrd, ST&C casing	41.26
1 Halliburton guide shoe	1.10
	<u>1,966.99</u>

The above casing is landed @ 1980.32' KBM or 13.33' below KB. Circ csg 1/2 hr w/rig pump prior to cmtg w/600 sks Class H regular cmt. Followed w/300 sks Class H regular treated w/3% CaCl & 1/4# flocele per sk. Full rets while circ, mixing, and displacing. Ret 20 bbls slurry to surface. Bumped plug at 400 psi. Float held okay. Cmt in place @ 3:30 A.M., 8-30-81.

5-1/2" O.D. Production Casing

	Net
1 pc. 5-1/2" O.D., 17#, K-55, 8 rd thrd, LT&C casing	17.61
186 jts. 5-1/2" O.D., 17#, K-55, 8 round thread, LT&C casing	6,304.04
1 Halco diff fill float collar	1.72
1 jt. 5-1/2" O.D., 17#, K-55, 8 rd thrd, LT&C casing	25.30
1 Halco guide shoe	0.77
	<u>6,349.44</u>

Above casing is landed @ 6362.77' KBM or 13.33' below KB. Cemented w/550 sks 50-50 Pozmix w/2% gel. Good rets throughout cmtg operations. Ret no slurry to surf. Bumped plug w/2200 psig, 500 psi over disp pressure. Floating equipment held okay. Cmt in place @ 9:06 A.M., 9-11-82.

KB 6609.33'

GL 6596.00'

13.33' KB

13-3/8" O.D. casing
@ 233.33' KBM

9-5/8" O.D. casing
@ 1980.32' KBM

Cmt top behind 5-1/2"
O.D. csg @ 4500.00' by
OWP CBL run 10-19-82

2 3/8" O.D. Tubing
@ 6195.18' KBM

2.315" O.D. tubing
@ 6114.91' KBM

TOP OF FISH @ 6254.10
6298'
to 2 holes/ft.
6310'

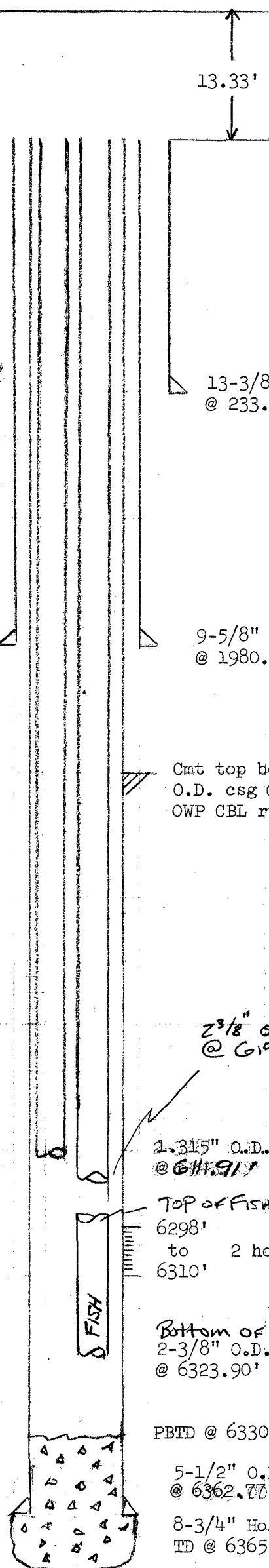
BOTTOM OF FISH
2-3/8" O.D. tubing
@ 6323.90' KBM

PBTD @ 6330.00' KBM

5-1/2" O.D. casing
@ 6362.77' KBM

8-3/4" Hole
TD @ 6365.00' KBM

See attachment for details of 2-3/8" O.D. and 1.315" O.D. tubing strings





State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

June 4, 2004

CERTIFIED MAIL NO. 7002 0510 0003 8602 5351

Mr. Christopher Beilby
Wexpro Company
P.O. Box 458
Rock Springs, Wyoming 82902

Re: Extended Shut-in and Temporary Abandoned Well Requirements for Fee or State Leases dated March 19, 2004.

Dear Mr. Beilby,

The Division of Oil, Gas and Mining (the Division) is in receipt of your letter dated May 21, 2004 (received by the Division on 5/26/2004) in regards to the three (3) shut-in wells operated by Wexpro Company (Wexpro). It is the Division's understanding Wexpro will plug the Carter Leverton State 1 and Piute Knoll No. 1 wells this year and requests extended shut-in for the Bug No. 17 well.

Based on the submitted information and plan of action the Division grants extended SI/TA for the Carter Leverton State 1 and Piute Knoll No. 1 wells until January 1, 2005 allowing adequate time to plug and abandon these wells. Please submit plugging procedures when completed.

Based on the submitted information for the Bug No. 17 well the Division grants extended SI/TA status until June 3, 2005 as requested, with the stipulation that the Bug No. 17 shall be monitored on a regular bases, and at a minimum the monitoring program should include obtaining and documenting pressures and fluid levels quarterly. This information should be reported to the Division in one year for review. However, if pressures or fluid level change significantly during the year, please inform the Division immediately. Corrective action may be necessary.

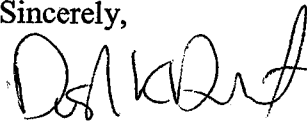
In regards to your letter dated December 17, 2003 (received by the Division on 12/19/2003) requesting extended SI/TA for a Federal well the Bug No. 14, based on the submitted information for the Bug No. 14 the Division grants extended SI/TA status until June 3, 2005, with the stipulation that the Bug No. 14 shall be monitored

Mr. Christopher Beilby
June 4, 2004
Page 2

on a regular bases, and at a minimum the monitoring program should include obtaining and documenting pressures and fluid levels quarterly. This information should be reported to the Division in one year for review. However, if pressures or fluid level changed significantly during the year, please inform the Division immediately. Corrective action may be necessary. Note: Federal approval of this action is necessary.

If you have any questions or need additional assistance in regards to the above matters please contact me at (801) 538-5281.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Doucet', with a stylized flourish at the end.

Dustin Doucet
Petroleum Engineer

cc: Well file
SITLA

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML - 27026

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:
Bug # 17

9. API NUMBER:
4303730793

10. FIELD AND POOL, OR WILDCAT:
Bug Desert Creek

1. TYPE OF WELL OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR:
Synergy Operating, LLC N2795

3. ADDRESS OF OPERATOR: PO Box 5513 CITY Farmington STATE NM ZIP 87499 PHONE NUMBER: (505) 325-5449

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1426 FSL, 1213 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 16 36S 26E
COUNTY: San Juan
STATE: UTAH

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: 1/24/2006	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion:	<input type="checkbox"/> CHANGE WELL NAME	<input checked="" type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER:
	<input type="checkbox"/> CONVERT WELL TYPE	<input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Synergy Operating, LLC (N2795) has acquired operations of the Bug # 17 and the Bug Field from Wexpro/QEP effective 08/01/2005. We apologize for the delay in our paperwork. Synergy holds a \$ 60,000 Utah State Bond for this lease.

This well has required action from the DOGM for sometime. Synergy proposes to immediately abandon the Desert Creek formation and the fish in the wellbore underneath a cement retainer and squeeze 33 sxs of neat cement below the retainer and place 2 sxs above. The retainer would be set at 6200'+/- above the fish in the well. Existing perforations are from 6298' to 6310'. The casing will be pressure tested during this operation. The 5-1/2" TOC is at 4500' per a CBL.

New perforations will be placed in two (2) prospective Hatch Intervals from 5800' to 5808', and from 5726' to 5738'. These intervals will be acidized.

A detailed procedure is attached, along with copies of several logs from the well.

Synergy has a rig currently working in the area and would appreciate the DOGM's assistance in expediting this approval.

CONSENT TO OPERATOR
Date: 2-13-06
Initials: LMD

NAME (PLEASE PRINT) Thomas E. Mullins

TITLE Engineering Manager (505) 566-3725-direct

SIGNATURE

DATE 1/24/2006

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 1/24/06
BY: [Signature]

(5/2000)

* Signed agreement submitted showing Synergy Right to work
Op. change in progress

RECEIVED
JAN 24 2006

DIV. OF OIL, GAS & MINING

**SYNERGY OPERATING, LLC
Farmington, NM**

PROCEDURE TO: ABANDON DESERT CREEK – RECOMPLETE HATCH

Bug # 17

Safe operations are of utmost importance at all Synergy Operating LLC properties and facilities. To further this goal, the Supervisor and/or Rig Toolpusher at the location shall request tourly safety meetings prior to initiation of work, following each change in tour (to review all operations projected during the tour), and also prior to any critical operations. These safety meetings shall be attended by all Company, contract and service personnel then present at the location. All parties shall review proposed upcoming steps, procedures and potentially hazardous situations. Occurrence of these meetings shall be recorded in the Daily Report.

All personnel arriving on location shall check in with wellsite supervisor.

Hard hats, safety glasses and hard-soled shoes will be worn on location.

No Smoking is allowed on Location. Wellsite supervisor will set up a designated smoking area. No individual should have matches, lighters, pipes, cigarettes, or cigars on his person within 150 feet of the well.

All practices and guidelines contained in the MMS Onshore Well Control Manual are to be followed unless written exceptions are provided.

Pre-job Planning and Notes : Notify on-site company supervisor of any unsafe conditions or potential hazards prior to commencing work.

Driving Directions :

Go North on US Hwy 491 to Dove Creek, travel just through Dove Creek and turn Left/West onto the Road 7 (Connie's Blue Mountain Café is on the right side on Hwy 491). Travel 0.1-miles & turn right on Road H, travel 0.9-miles then turn left on Road 6, travel 5.3-miles on the main road and then the road turns to the right onto Road P, travel 5.1-miles and turn left on Road 2, travel 1.0-miles and turn right onto Road S, travel another 1.2-miles turning left, then 0.1-miles turning right onto Utah Road 347, travel another 0.8-miles to the Bug Field Battery 'C'.

Travel 0.3 miles on Utah Road 347. Turn Right, travel 0.25 miles to Bug # 17 Location, in the middle of the field. It has a pumping unit.

This is Private Surface owned by Clyde Sanchez. Be respectful of the property.

PROCEDURE TO: ABANDON DESERT CREEK – RECOMPLETE HATCH

Bug # 17

NOTE: All depths are referenced to a KB elevation.

5-1/2" 17# K-55 Casing @ 6362' (Original PBTD @ 6330')
2-3/8" 4.7# J-55 Tubing @ 6181' (202 Jts), (BHA, 1 jt, SN, 1 jt, 2-7/8" Anchor 15K)
1.315" OD Tubing (1.7# J-55 NU) – (185 Jts) – 6098'
DH Pump: 2" x 1.25" x 12' x 14' x 16' RHBC Bottom Hold Down Rod Pump.
Rod String: Btm 2' – 3/4" pony, 1-1/4" x 22' PR, 2' – 3/4" pony, 3 – 7/8" rods, 240 – 3/4" rods, 8' – 3/4" pony, 1-1/4" x 22' PR Top
Desert Creek Perforations: 6298' to 6310' (12' - 24 holes)
NSco. Dual String DST Bonnett. **Do Not Drop SLIPS.**

1. **Have Contractors make necessary Utah One-Call prior to any work. Synergy detect and mark necessary company lines.**
2. Obtain Necessary Colorado and Utah Permits. Comply with all BLM and UDOGM rules and regulations.
3. RU flowback tank to Blow-down the well. Blow Down Well.
4. Test Anchors. (Done)
5. MIRU Well Service Rig and Auxiliary equipment. Set Two (2) – 400 bbl frac tanks.
6. SICP= 400# +/- . Blow Down Tubing and Casing Strings.
7. Remove Horse's Head.
8. Record SICP, SITP, & Bradenhead Pressure.
9. Attempt to Unseat Rod String. Back-Off Rod String. Lay Down Rod string on boards on location.
10. ND WH. NU BOPE. Function and Pressure Test.
11. Need 1" Handling Tools.
12. COOH w/ 1" Tubing (1.315" OD) 1.7# J-55 Tubing from 6098' (185 Jts). Laying Down on CAJO Hot Shot Trailer. Save on Location 4 Jts - 1" tubing.
13. Change 1" Rams and Equipment to 2-3/8".
14. Unseat 2-7/8" x 5-1/2" Tubing Anchor Catcher at 6115' (15K Tension).
15. COOH (Stripping as necessary) with 2-3/8" tubing String from 6181' (202 Jts). Lay Down Rod String. Leave on Location.
16. GIH w/ 4-3/4" Bit and 5-1/2" 17# Scraper on 2-3/8" tubing.
17. Tag Fish Top at 6211'. Note Fish consists of: 2-3/8" tubing cut, 1" tbg slip segments, and Tbg Anchor 6240'.
18. COOH w/ Scraper.
19. MU 5-1/2" Cement Retainer on 2-3/8" tubing. GIH on 2-3/8". Set Retainer at 6200' +/- above Fish and Desert Creek Interval.
20. Test Tubing and Casing String, Loading hole as necessary. Note Possible paraffin, that may require Hot Oil Truck to circulate out. Circulate Parraffin.
21. Contact State of Utah, Division of Oil, Gas, & Mining prior to pumping cement for abandonment witnessing (contact Synergy Office for number).
22. RU Cementers. **Permanently Abandon Desert Creek.** Establish circulation with water into Desert Creek. Mix and pump 35 sxs Neat Cement, Pump 33 sxs below retainer, Sting out of retainer, placing 2 sxs on top of retainer.
23. COOH with 2-3/8" Tubing and setting tool. RD Cementers, Clean-up cement in old

earthen pit.

24. RU Wireline Company with **Full Lubricator**, Correlate Perforations with Oil Well Perforators GR-CCL-CBL Log Run 10-19-1982. In a single gun run, under full lubricator, perforate pay intervals (Possible OVERPRESSURE). **Perf Hatch "B" Sand (5800' to 5808') – 8' – 4 SPF phased 90 degrees – 32 holes, Perf Hatch "A" Limestone (5726' to 5738') – 12' – 4 SPF phased 90 degrees.** Owen 302 charges. POOH with gun.
25. RU Stimulation Company. Test Lines to 6000#. Max Treating Pressure 5000#.
26. GIH w/ Baker Model G Plug and PKR Combination Assembly on 2-3/8" tubing. Set Plug below all perforations at 5840'+/-. Set PKR above Hatch B @ 5760'+/-. RU Acid Crew. Establish rate with 2% KCl water, SD get ISIP, and **BD Perfs from Hatch B 5800' to 5808' (8')**. Acidize at maximum rate and pressure with 750 gallons 15% HCl acid, displace w/ 2% KCl water. Monitor Fall-Off Pressure. Release pressure, flowing well to flowback tank as necessary. Stimulation # 1
27. Recover RBP. Move RBP and set at 5840'+/-. Set PKR above all perfs at 5650'+/. Establish rate with 2% KCl water, SD get ISIP, and **BD Perfs from Hatch A 5726' to 5738' (12')**. Acidize at maximum rate and pressure with 750 gallons 15% HCl acid, displace w/ 2% KCl water. Monitor Fall-Off Pressure. Release pressure, flowing well to flowback tank as necessary. Stimulation # 2.
28. Engage and Equalize RBP. COOH & LD tools.
29. GIH w/ 2-3/8" production tubing. Land 2-3/8" tubing at 5850', w/ new SN up 1 jt.
30. Land 4- Jts – 1" tubing (if possible) in WH to facilitate future injection of soap or chemical.
31. Rig Down Equipment. Swab well to Flowback tank if necessary.
32. Release Rig to future location.
33. Finish locating pipelines running to Bug B Battery, including 6" oil line. Bug C Battery Facility may still be used to handle Bug # 17 Gas, but would require another WGR meter to be set-up.
34. Install New High Pressure separator with inlet choke system at the appropriate location either Bug B or Bug C battery.
35. Obtain gas samples on produced gas. Obtain BH dip-in pressure prior to first delivery.
36. Confirm Nominations and gas deliverability with WGR.
37. Report results to partners.

TEM 01-23-2006

SYNERGY OPERATING

NAME	TITLE	WORK	HOME	CELL/ PAGER
Glen Papp	Operation Manager	566-3729	324-8144	330-1582 (c)
Tom Mullins	Engineering Manager	566-3725	325-6561	320-1751 (c)
Patrick Hegarty	Finance/Land/Legal Mng	566-3723	334-4491	330-6431 (c)
Lisa Gusek	Geologist	566-3749		

CONTRACTORS

SERVICE COMPANY	CONTACT	PHONE
RW Trucking (Water Hauling)		(970) 565-4882
RW Trucking (Hot Oil)		(970) 565-4882
WSI (Wellhead)	Juan Wilson	326-0308(Shop)
Ca-Jo Hot Shot Service	Stan Kirkland	320-8289
Cave Enterprises (tubulars)	Jimmy Cave	325-3401
High Tech Tools (handling tools, misc)		505-334-2266
Baker Oil Tools (retainer, plug, pkr)		505-325-0216
Key Pressure Pumping (acid)		505-325-4192
Blue Jet, Inc.	Danny Seip	505-325-5584
Wellsite Consultant	Gene Walker	505-486-2626
Field Operator	Robert Knuckles	970-560-0290 (cell) 970-677-2205 (h)
Air Care 1	Dispatch	1 800 452-9990

EMERGENCY RESPONSE INFORMATION

Ambulance	911
Air Care 1 (see required information below)	911
Fire	911
San Juan County Sheriff	911
N. M. State Police	911
Bureau of Land Management	(505) 599-6316
N. M. Oil Conservation Division	(505) 334-6178
San Juan Regional Medical Center	(505) 325-5011

Required Information for Air Care 1

1. Your name.
2. Company name.
3. Cellular number or 2-way radio frequency of someone at the scene.
4. Wind and weather conditions at scene.
5. Type of landing site (location, road, etc.) and any obstacles (power lines, derricks, etc.) at landing site.
6. Location in degrees, minutes, and seconds (**front of procedure**).
7. Location of scene in relation to landing site (approximate distance and direction).

"Scene is approximately _____ feet in a _____ direction from landing site."

8. Number and condition of injured persons and type of injuries.

Bug # 17 - Well Discussion:

The Bug # 17 was drilled in September 1982, completed in October 1982 in the Desert Creek formation from 6298' to 6310'. No Cores or DST's were performed on the subject well. The cement bond log demonstrated a top of cement at 4500' for the 5-1/2" production casing. The completion consisted of tubing conveyed perforation of the interval, followed by swabbing with no well influx.

A stimulation was performed down the annular space with 10,000 gallons of 28% HCl acid and 10,000 gallons of 40# gelled water/oil emulsion and Nitrogen at 6 BPM and 4000# ATP. The well was swab tested at only 21 BOPD initial rate. The 2-3/8" production tubing and the 1" injection string were landed in October 1982, with the downhole rod pump installed on the well.

In May 1984, the rods were found to be parted 6 rods down. An attempt was made to fish the rods unsuccessfully followed by the decision to pull the tubing. The 1" string was pulled, and the 2-3/8" tubing pulled followed by re-installation of the same downhole tubing configuration.

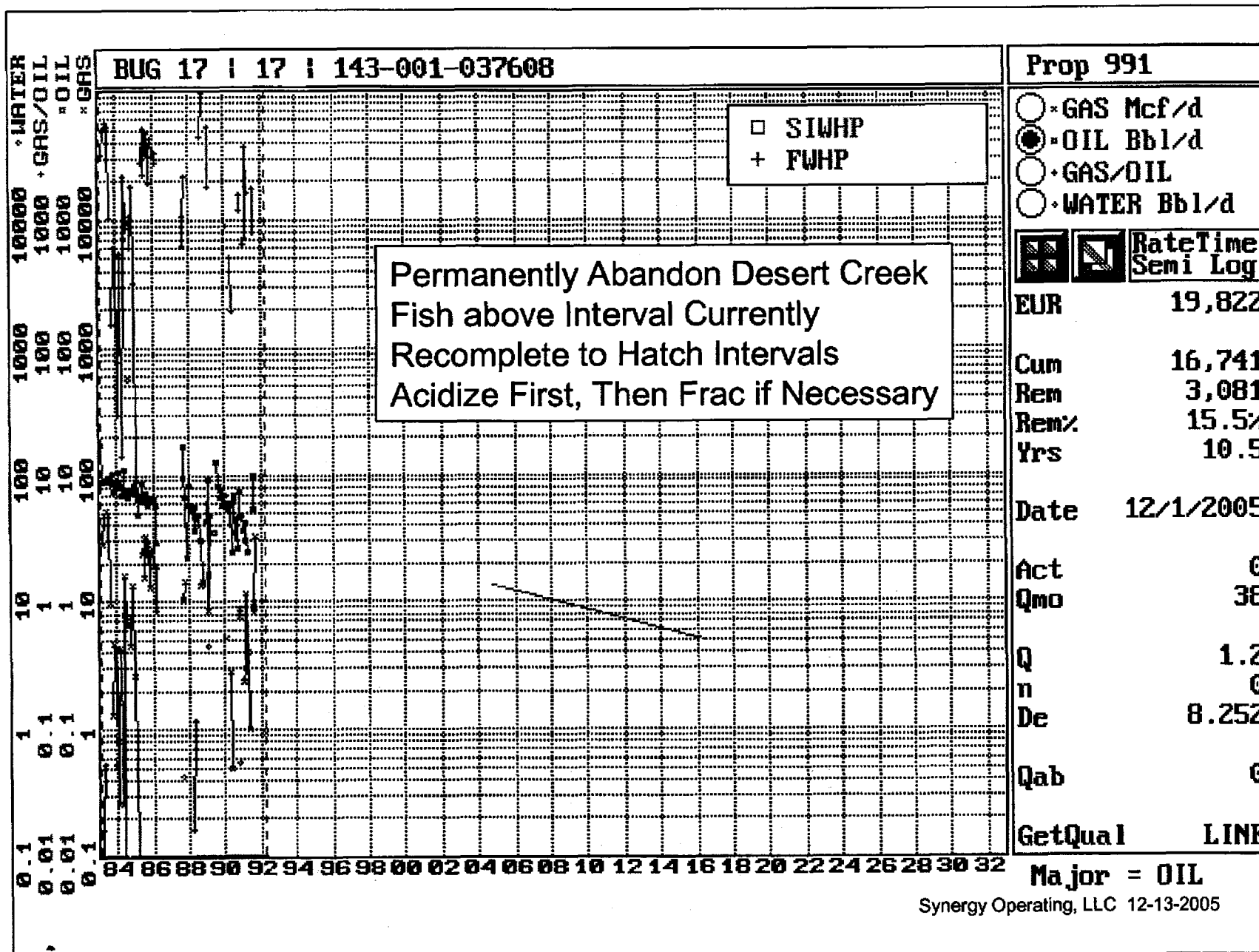
In January 1989, during a pump change the 1" slip segments were dropped down the well. The tubing anchor became stuck in the well below the perforations, and fishing operations were unsuccessful in recovering the fish. No operational work has been performed on the well since January 1989. The top of the fish was left at 6211'.

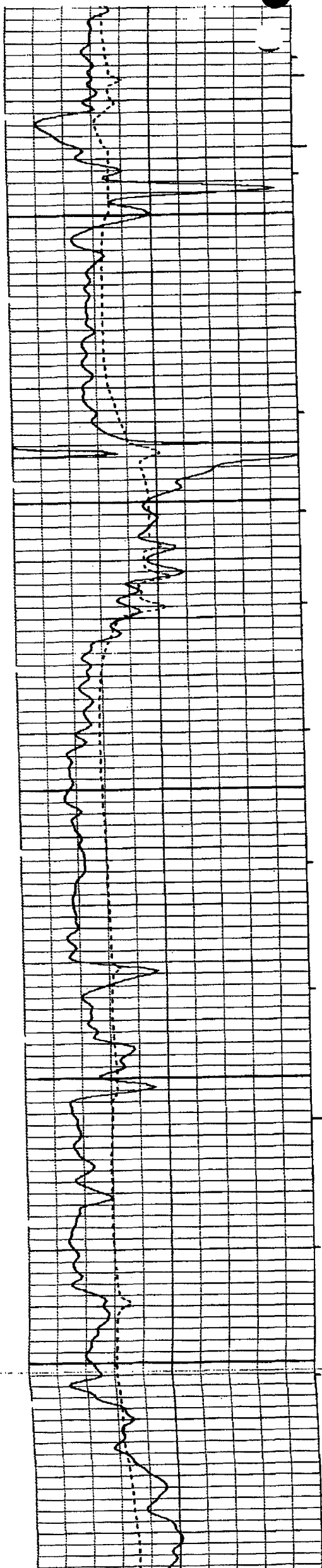
Cumulative production from the Bug # 17 has been 16,779 bbls oil and 51 MMCF. The well last produced 6 BOPD following the fishing job, with intermittent production produced through the 1" tubing string to surface. The DH pump is believed to be stuck in the tubing string and the 2-3/8" and DH pump will likely need to be stripped from the well. See the attached production curve.

A permanent abandonment procedure was prepared in 1995 by Wexpro, but was never implemented. No water production is noted or recorded for this completion.

The Hatch A Limestone and Hatch B Sand intervals are targeted for completion because of the Gas shows (C4) indicated on the Mud Log and the good porosity (> 10%) development in both intervals. The Hatch B Sand is believed to contain a significant quantity of calcerous material, which may benefit from the planned acid stimulation. No proppant is believed to be necessary at the present time to demonstrate commercial production. Reservoir pressures are believed to be of a similar Desert Creek/Ismay overpressure (0.52 psi/ft). Mud weights during drilling operations were 9.3 ppg.

This well has historically produced to the Bug C Battery facility, which is in a significant state of disrepair. The existing Low Pressure Oil Treater will be unable to process the expected high pressure dryer gas production from the Hatch interval. Field operational analysis will ultimately determine if the Bug # 17 Hatch production should be delivered to Western Gas Resources at the existing Bug C Battery facility, or be piped to the Bug B Battery facility.





5800

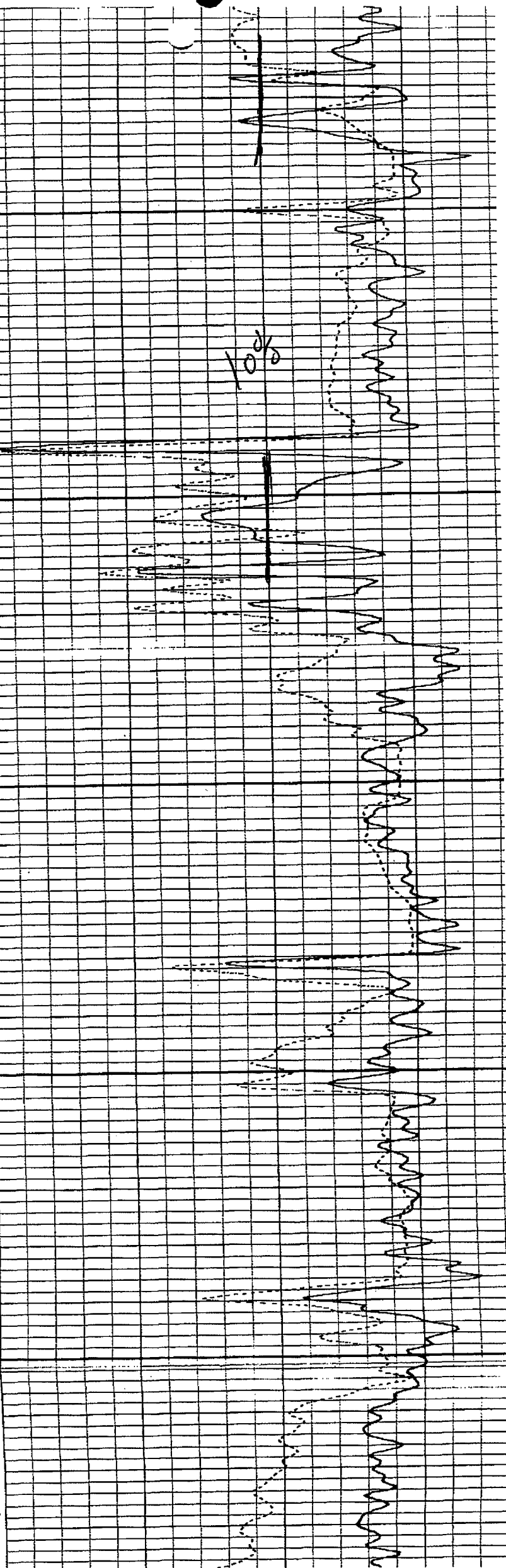
5900

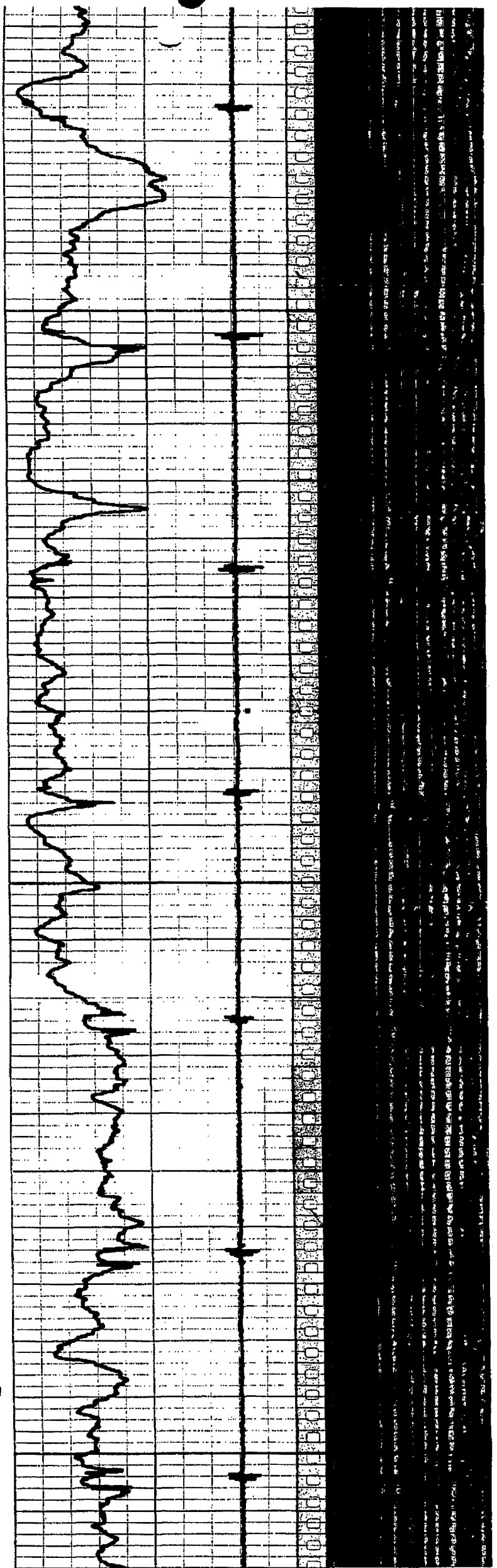
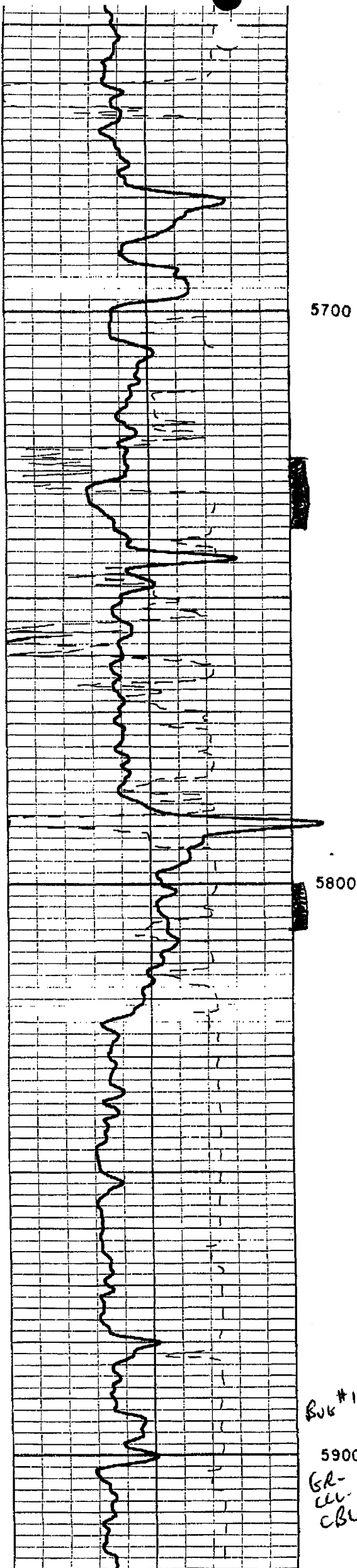
BUK #17
GR-
Density
Pulse

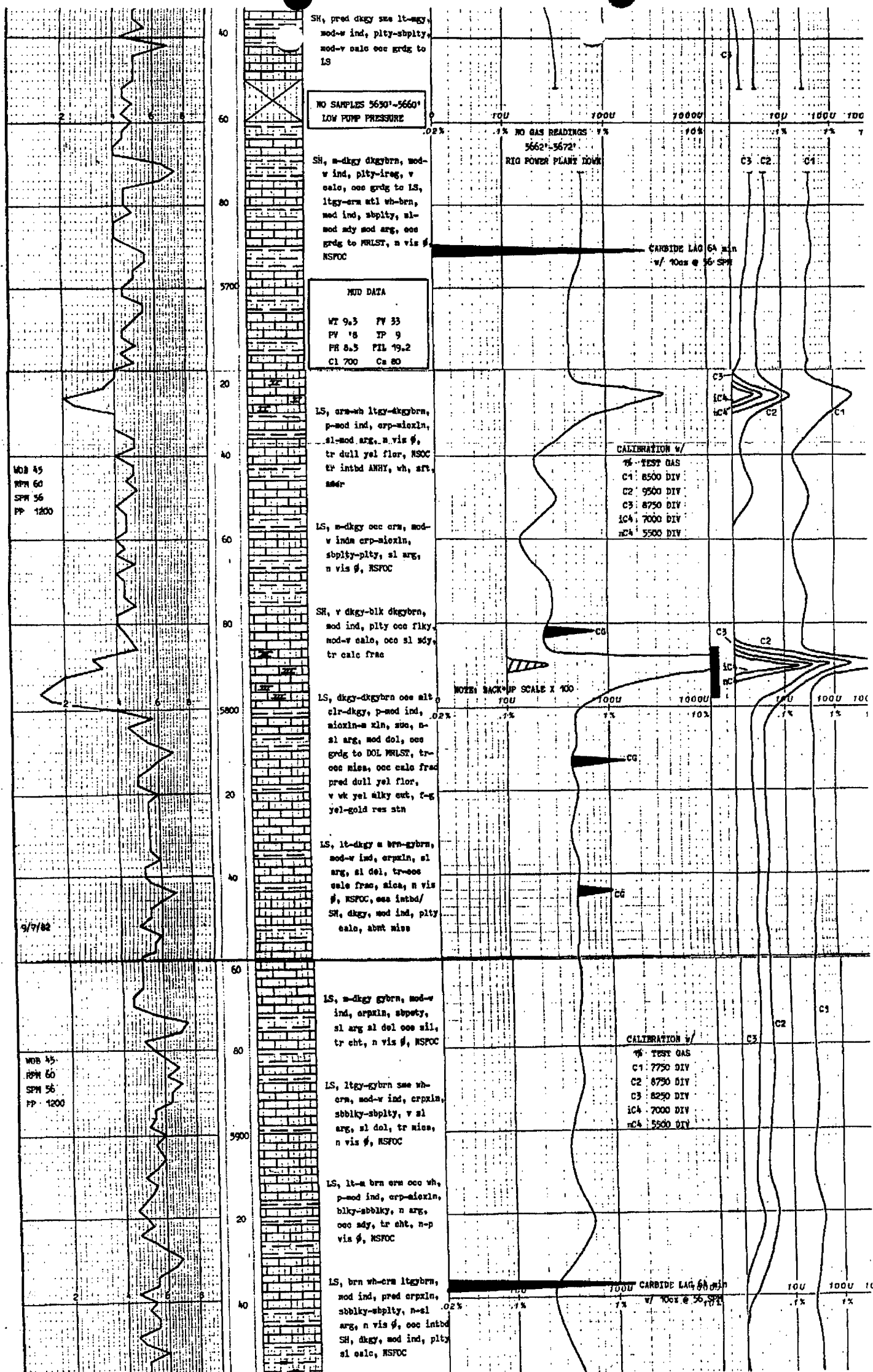
000000

000000

10%







LOG #17 Mud LOG

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Bug Field</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: <u>Multiple</u>
2. NAME OF OPERATOR: <u>Wexpro Company</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 45601 CITY <u>Salt Lake City</u> STATE <u>UT</u> ZIP <u>84145</u>		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE:		8. WELL NAME and NUMBER: <u>Bug Field (Multiple Wells)</u>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <u>36S 26E</u>		9. API NUMBER: <u>Multiple</u>
COUNTY:		10. FIELD AND POOL, OR WILDCAT: <u>Desert Creek / Ismay</u>
STATE: <u>UTAH</u>		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Per conversation w/ Earlene Russell. Effective 08/01/2005, Synergy Operating, LLC (N2795) has taken over the operator responsibility of the following wells.

Bug # 4 (43-037-30542) - State of Utah Lease ML-27026
Bug # 8 (43-037-30589) - BLM Lease U-43653
Bug # 13 (43-037-30610) - BLM Lease U-23161
Bug # 14 (43-037-30605) - BLM Lease U-23161
Bug # 15 (43-037-30606) - BLM Lease U-23161
Bug # 16 (43-037-30607) - BLM Lease U-23161
Bug # 17 (43-037-30793) - State of Utah Lease ML-27026
Bug # 12 (SWD) - (43-037-30595) - Fee Lease
Bug "B" Battery
Bug "C" Battery
Bug Compressor

no impact at DOGM (Erussell)

A copy of this document will also be submitted to the State of Utah directly from Synergy Operating, LLC's office.

NAME (PLEASE PRINT) James R. Livsey TITLE Vice President
SIGNATURE James R. Livsey DATE February 6, 2006

(This space for State use only)

APPROVED 2128106

Earlene Russell

Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(5/2000)

(See Instructions on Reverse Side)

RECEIVED

FEB 10 2006

DIV. OF OIL, GAS & MINING

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <u>Bug Field</u>		5. LEASE DESIGNATION AND SERIAL NUMBER: <u>Multiple</u>
2. NAME OF OPERATOR: <u>Synergy Operating, LLC</u> <u>N2795</u>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: <u>PO Box 5513</u> CITY <u>Farmington</u> STATE <u>NM</u> ZIP <u>87499</u> PHONE NUMBER: <u>(505) 325-5449</u>		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: COUNTY:		8. WELL NAME and NUMBER: <u>Bug Field (Multiple Wells)</u>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <u>36S 26E</u> STATE: <u>UTAH</u>		9. API NUMBER: <u>Multiple</u>
		10. FIELD AND POOL, OR WILDCAT: <u>Desert Creek / Ismay</u>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Per conversation w/ Earlene Russell. Effective 08/01/2005, Synergy Operating, LLC (N2795) has taken over the operator responsibility of the following wells.

Bug # 4 (43-037-30542) - State of Utah Lease ML-27026
Bug # 8 (43-037-30589) - BLM Lease U-43653
Bug # 13 (43-037-30610) - BLM Lease U-23161
Bug # 14 (43-037-30605) - BLM Lease U-23161
Bug # 15 (43-037-30606) - BLM Lease U-23161
Bug # 16 (43-037-30607) - BLM Lease U-23161
Bug # 17 (43-037-30793) - State of Utah Lease ML-27026
Bug # 12 (SWD) - (43-037-30595) - Fee Lease
Bug "B" Battery
Bug "C" Battery
Bug Compressor

BLM UT-924

no impact at DOGM (Earlene)

A copy of this document will also be submitted to the State of Utah directly from Wexpro/QEP's office.

NAME (PLEASE PRINT) <u>Thomas E. Mullins</u>	TITLE <u>Engineering Manager</u>
SIGNATURE <u><i>Thomas E. Mullins</i></u>	DATE <u>1-31-2006</u>

(This space for State use only)

APPROVED 2/28/06
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

(See Instructions on Reverse Side)

RECEIVED
FEB 1 0 2006

DIV. OF OIL, GAS & MINING

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA n/a

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: n/a

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 2/15/2006

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 2/28/2006
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/28/2006
3. Bond information entered in RBDMS on: 2/28/2006
4. Fee/State wells attached to bond in RBDMS on: 2/28/2006
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT0924

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: n/a

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number BOK06SDP01525
2. The **FORMER** operator has requested a release of liability from their bond on: **
The Division sent response by letter on: **Joint bond with QEP, & QEP Uinta Basin

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL:		OIL WELL <input type="checkbox"/>	GAS WELL <input checked="" type="checkbox"/>	DRY <input type="checkbox"/>	OTHER <input type="checkbox"/>		
b. TYPE OF WORK:		NEW WELL <input type="checkbox"/>	HORIZ. LATS. <input type="checkbox"/>	DEEP-EN <input type="checkbox"/>	RE-ENTRY <input type="checkbox"/>	DIFF. RESVR. <input checked="" type="checkbox"/>	OTHER <input type="checkbox"/>
2. NAME OF OPERATOR: Synergy Operating, LLC N2795						9. API NUMBER: 4303730793	
3. ADDRESS OF OPERATOR: PO Box 5513 CITY Farmington STATE NM ZIP 87499				PHONE NUMBER: (505) 325-5449		10. FIELD AND POOL, OR WILDCAT Bug (Hatch Gas)	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1426' FSL, 1213' FEL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:						11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 16 36S 26E	
12. COUNTY San Juan						13. STATE UTAH	

14. DATE SPUDDED: 8/27/1982	15. DATE T.D. REACHED: 9/9/1982	16. DATE COMPLETED: 5/2/2006	ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): 6609' KB, 6596' GL
18. TOTAL DEPTH: MD 6,365 TVD 6,365	19. PLUG BACK T.D.: MD 5,997 TVD 5,997	20. IF MULTIPLE COMPLETIONS, HOW MANY? *		21. DEPTH BRIDGE MD 5,997 PLUG SET: TVD 5,997
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) DIL, BHC, CNL/FDC, HDT				23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
17-1/2"	13-3/8 K-55	54.5		233		B 300	69	CIR	25 BBLs
12-1/4"	9-5/8 K-55	36.0		1,980		H 900	208	CIR	20 BBLs
8-3/4"	5-1/2 K-55	17.0		6,362		Poz 550	195	4500'	CBL

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	5,821							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) HATCH A			5,726	5,738	5,726 5,738	0.34	48	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) HATCH B			5,800	5,808	5,800 5,808	0.34	32	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D) DESERT CREEK			5,298	6,310	5,298 6,310	0.35	24	Open <input type="checkbox"/> Squeezed <input checked="" type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5726' TO 5738'	750 GALS 15% HCL
5800' TO 5808'	750 GALS 15% HCL
5726' TO 5808'	40,720 LBS 20/40 SUPER LC IN 60 QUALITY LINEAR N2 FOAM, 512 BBLs & 707K N2

29. ENCLOSED ATTACHMENTS:

- | | | | |
|---|--|---------------------------------------|---|
| <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS | <input type="checkbox"/> GEOLOGIC REPORT | <input type="checkbox"/> DST REPORT | <input type="checkbox"/> DIRECTIONAL SURVEY |
| <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION | <input type="checkbox"/> CORE ANALYSIS | <input type="checkbox"/> OTHER: _____ | |

30. WELL STATUS:

FLOWING

RECEIVED

DEC 01 2006

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in Item #26)

DATE FIRST PRODUCED: 5/2/2006		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 0	WATER - BBL: 0	PROD. METHOD: FLOWING
CHOKE SIZE: NA	TBG. PRESS. 400	CSG. PRESS. 1,700	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF: 50	WATER - BBL:	INTERVAL STATUS:

INTERVAL B (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in Item #26)

DATE FIRST PRODUCED: 10/25/2006		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL – BBL:		GAS – MCF:		WATER – BBL:		PROD. METHOD: FLOWING							
CHOKE SIZE:		TBG. PRESS. 120		CSG. PRESS. 410		API GRAVITY		BTU – GAS		GAS/OIL RATIO		24 HR PRODUCTION RATES: →		OIL – BBL:		GAS – MCF: 200		WATER – BBL: 2		INTERVAL STATUS: ON	

INTERVAL D (As shown in Item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

GAS SOLD THRU WGR - BUG C BATTERY CDP METER

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof. Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				HERMOSA	4,656
				HONAKER TRAIL	5,341
				HATCH	5,682
				HATCH A	5,724
				HATCH B	5,793
				UPPER ISMAY	5,996
				ISMAY	6,125
				DESERT CREEK	6,244
				LOWER DESERT CREEK	6,287
				SALT	6,372

35. ADDITIONAL REMARKS (Include plugging procedure)

DESERT CREEK PERMANENTLY ABANDONED BELOW CMT RETAINER @ 6200', CEMENT BELOW AND ABOVE TO 5997'

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) **THOMAS E. MULLINS**TITLE **ENGINEERING MANAGER**SIGNATURE DATE **11/28/2006**

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation

- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
Fax: 801-359-3940

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML - 27026
2. NAME OF OPERATOR: Synergy Operating, LLC N2795		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: PO Box 5513 CITY Farmington STATE NM ZIP 87499		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1426' FSL, 1213' FEL		8. WELL NAME and NUMBER: Bug # 17
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 16 36S 26E		9. API NUMBER: 4303730793
COUNTY: San Juan		10. FIELD AND POOL, OR WILDCAT: Bug (Hatch Gas)
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: 10/25/2006	<input type="checkbox"/> CHANGE WELL NAME	<input checked="" type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input checked="" type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Synergy Operating, LLC has performed the following work permanently abandoning the Desert Creek (oil) zone and recompleting the wellbore to the Hatch interval.

The well started production from the Hatch interval on 5/2/2006. The well produced with only an acid job until 10/18/2006.

The current PBTD is 5997', 2-3/8" tubing is landed at 5821' (190 jts).

Hatch B Sandstone Perfs @ 5800' to 5808' (8') - 32 holes
Hatch A Limestone Perfs @ 5726' to 5738' (12') - 48 holes

SEE ATTACHED DAILY HISTORY DETAIL

NAME (PLEASE PRINT) **Thomas E. Mullins**

TITLE **Engineering Manager**

SIGNATURE _____

DATE **11/27/2006**

(This space for State use only)

RECEIVED

DEC 01 2006

DIV. OF OIL, GAS & MINING

Bug # 17 - Summary Sundry Notice 11/27/2006

- 01-23-06 MIRU Basic Rig, Anchors were tested all ok. RU flowback tank. Blowdown well to flowback tank. SDFN.
- 01-24-06 SICIP 300 psi, SITP 300 psi. Blowdown well. Unseat Rod String. Pump 20 bbls 2%KCL wtr kill well. TOO H & LD 1-1/4" x 22' PR, 8'-3/4" pony, 240 -3/4" rods, 3-7/8" rods, 2' -3/4" rod, 1-1/4" x 22' PR 2' 3/4" rod. 1-DH pump 2"x1.25"x12"x14"x16" RHBC Bottom Hold Down Rod Pump.
- 01-25-06 SICIP = SITP = 300#, BH = Zero
Pump 20 bbls 2 % KCL wtr, kill well. ND WH. TOO H & LD 187 jts 1" 1.7# J-55 NU tbg. Tbg had heavy paraffin on outside NU BOP. Unseat 2 7/8" X 5 1/2" Tubing Anchor Catcher.
SDFN.
- 01-26-06 Tom Mullins contacted UDOGM (Dustin Doucett) for approval of operations
Hot Oil casing and tbg. (114 bbls down csg, & 50 bbls dwn tbg.)
TOOH w 203 jts 2 3/8" 4.7# J 55 production string. (Seal Lock Threads)(Talley out)
TIH w/ 4 3/4" Bit, Casing Scraper & 203 Jts 2 3/8" tbg, did not tag fish @ 6,211'.
TOOH w 203 jts 2 3/8" 4.7# J 55 production string. (Seal Lock Threads) & LD csg scraper & Bit.
MU 5 1/2" cmt ret on 2 3/8" tbg. TIH w/ 202 jts 2 3/8" tbg. Set cmt ret @ 6,200' , above fish & Desert Creek interval @ (6,298'-6,310')
Mix & pump 35 sxs Neat cement (33 sxs below cmt ret & left 2 sxs cmt on top of retainer). Total 41.3 ft3
TOOH w/ 202 jts 2 3/8" production string, LD setting tools. Final Sqz pressure 0.75 BPM @ 2300#.
- 01-28-06 TIH w/ 200 jts 2 3/8" tbg (opened ended), circ hole ctn w/ 2 % KCL wtr. TOO H w/ 2 3/8" tbg.
MIRU Blue Jet Perforating unit, Perforate (Hatch B Sand (5800'-5,808')(8') 32 holes. Perforate Hatch A Limestone @ (5,726'-5,738'). Set RBP @ 5,832'. Set pkr @ 5,766'. Break down perms @ 5,800'-5,808' w/ 750 gals 15% HCL & displace w/ 2% KCL wtr. Move RBP to 5,766', Set PKR @ 5,703' Break down perms @ 5,726'-5,738' w/ 750 gals 15% HCL, displace w/ 2 % KCL wtr. Monitor pressure to flowback tank.
- 01-30-06 TOO H w/ 180 jts 2 3/8" tbg, LD RBP & PKR.
TIH w/ 194 jts 2 3/8" 4.7# J 55 Seal Lock "J" threads to 5,946'. (Below botton perf 5,808')
Rig up swab tools, swab well dry.
ND BOP, NU WH. Swab well in.
- 01-31-06 Unflange WH, PU Tbg Hanger, Land tbg in donut, New PBDT 5,997', EOT @ 5,858.74', SN @ 5,825'.
Perforations @ 5,726'-5,738' (48 holes) 5,800'-5,808' (32 holes)
Rig Up swab tools.
Prepare to move to Bug # 13.
- 02-01-06 Swabbed well. Recovered load fluid, with expected significant gas flow. Shut-in well to monitor pressure.
Will hook up well for production at either the Bug B Battery or Bug C Battery facility.
- 02-05-06 SICIP = 1700 psi. Well remains Shut-in, completed in Hatch A and Hatch B Intervals.
Current PBDT (cement inside 5-1/2") @ 5997'
Hatch B Sandstone Perfs @ 5800' to 5808' (8') - 32 holes
Hatch A Limestone Perfs @ 5726' to 5738' (12') - 48 holes
2-3/8" 4.6# Seal Lock Tubing @ 5858', SN @ 5825'
- 05-02-2006 Well First Delivered through Bug C Battery CDP (# 91601146) to Western Gas Resources on 05-02-2006.
Producing at 50 MCFD rate, Initial Shut-in Casing Pressure of 1600#, Tubing 1100#.
Produce well without fracture stimulation from 05-02-2006 until 10-18-2006, obtain fluid sample from separator.
- 10-18-06 MIRU Bobby Higgins Well Service Rig. Well producing 50 MCFD to sales. Blow down well, did not kill well.
ND WH, NU BOPE. RU Slip Grip Elevators. COOH with tubing from 5858', 191 jts, seal lock tubing.
ND Stripping Rubber. Install WSI Isolation Tool through wellhead. Flange down. SDFN.
- 10-19-06 MIRU Key PP. PT Lines. Fracture Stimulate Hatch A & B from 5726' to 5738' w/ Linear Gel Based 60 Quality Nitrogen Foam Frac, with 40,720 lbs 20/40 Super LC in 512 bbls (21,504 gals) gel & 707,000 SCF N2 @ 35 BPM, 3450 ATP. ISIP 3000, 10 min 2820. RU Flowback line and 1/2" positive choke. Commence flowback on 1/2" positive choke. Recover small slug of sand and heavy fluid. Recover 350 bbls of 512 bbls load. Continue flowback at 100#.
- 10-20-06 Continue Flowback on 1/2" positive choke. Well has cleaned up sufficiently, strong gas, flowing at 40#, 250 MCFD. Recover an additional 52 bbls of load, total load now 402 bbls of 512 or 78%.
Continue Flowback overnight.
- 10-23-06 Well tested to sales at 200 MCFD, 118# line pressure.
Kill well w/ 80 bbls. ND Isolation tool. NU Stripping head. GIH w/ expendable check and land 190 Jts of 2-3/8" 4.7# tubing at 5821', SN @ 5790'. Tagged sand below perms at 5852', sand fill in well from 5852' to 5997' (145')
ND BOP. NU Wellhead. Make 10 swab runs, recover 35 bbls. Load to recover now 145 bbls. SI well.
- 10-24-06 SM. Csg 28#, Tubing 40#. Make 15 swab runs, kick well off flowing to tank. Recover 80 bbls fluid for the day. 65 bbls load water remaining, Shut-well in. Well flowing on tubing with 400# casing pressure, 100# tubing.
- 10-25-06 SM. Csg 1150#, Tubing 410#. Flow well to test tank. RD Swabbing equipment. Rig Down Bobby Higgins Rig. Move and load out equipment. Final rig related report. Return well to sales on 10/25/06

**WEXPRO COMPANY**

1955 Blairtown Road (82901)
P. O. Box 458
Rock Springs, WY 82902
Tel (307) 382-9791
Fax (307) 352-7575

Chris Beilby

Senior Petroleum Engineer
Tel (307) 352-7566
Email – chris.beilby@questar.com

December 8, 2005

Clint Dworshak
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P. O. Box 145801
Salt Lake City, Utah 84114-5801

RE: SI/TA Status		
Bug Well No. 4	Bug Well No. 14	Bug Well No. 17
API – 43-037-30542	API – 43-037-30605	API – 43-037-30793
	36S 26E 17	36S 26E 16

Clint,

In response to your email request for updated status on the subject wells the following information is provided.

These wells have been recently been purchased by:

Synergy Operating LLC
Quality Business Center
5101 College Blvd
Suite 5060
Farmington, NM 87402

Wexpro does not know what Synergy's plans are for these wells but the present status of them is as follows.

Bug No. 4 – It is presently SI in need of a pump change.

Bug No. 14 and Bug No. 17 – These wells remain SI and as stipulated, quarterly pressures and fluid levels have been obtained on these wells. Copies of the quarterly pressure and fluid level surveys are attached for reference.

Please let me know if you need any other information.

Sincerely,

Christopher A. Beilby
Senior Petroleum Engineer

cc: Synergy Operating LLC

RECEIVED
DEC 16 2005
DIV. OF OIL, GAS & MINING



December 6, 2005

WEXPRO COMPANY

P.O. Box 458

Rock Springs, WY 82902

Attention: Mr. Rick Angle

Subject: Fluid Level Measurements
 2 wells – Bug No.'s 14 & 17
 Bug Field
 San Juan County, Utah
 File No. 2-58832-FL

Dear Sir:

Attached hereto are the results of the Fluid Level Measurements conducted on the above captioned wells on November 29, 2005.

The data presented is in tabular form.

It has been our pleasure to perform this service for you. If we may be of further assistance, please call us at any time.

Respectfully submitted,

Neil Tefteller

TEFTELLER, INC.

NT/mdt

RECEIVED

DEC 16 2005

DIV. OF OIL, GAS & MINING

TEFTELLER, INC.
RESERVOIR ENGINEERING DATA



COMPANY: WEXPRO COMPANY

FARMINGTON, NM
GRAND JUNCTION, CO

PAGE 1 OF _____

COUNTY & STATE SAN JUAN COUNTY, UTAH

DATE: 11-29-2005

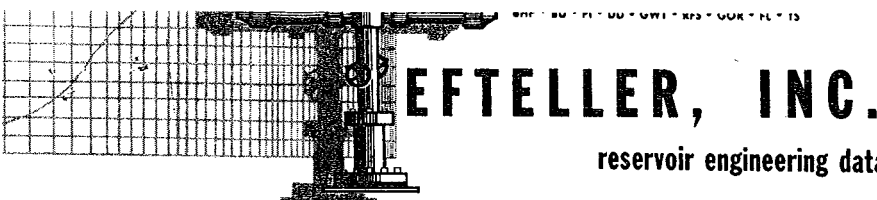
FILE: 2-58832-FL

TIME:	LEASE & WELL NUMBER	STATUS OF WELL OR STROKES PER MINUTE	CASING PSIG	TUBING DEPTH	NUMBER JOINTS IN WELL	AVERAGE TUBING LENGTH FEET	NUMBER JOINTS TO FLUID	FLUID LEVEL FEET	PERFORATIONS
	BUG NO. 14	SHUT IN							
		TUBING 0	0	6286	202	31.32	16	500'	6290' - 6310'
	BUG NO. 17	SHUT IN							
		TUBING 400	410	6195	202	30.57	*	*	6298' - 6310'
	* UNDETERMINABLE								

007

TEFTELLER

12/06/2005 14:38 FAX 5053251148



reservoir engineering data

FARMINGTON, NEW MEXICO/
GRAND JUNCTION, COLORADO

P. O. Box 1198
Farmington, New Mexico 87499
(505) 325-1731
Fax (505) 325-1148

2332 Interstate Ave., Ste. A
Grand Junction, CO 81505
(970) 241-0403
Fax (970) 241-7634

August 2, 2005

WEXPRO COMPANY
P.O. Box 458
Rock Springs, WY 82902

Attention: Mr. Jerry Ennis

Subject: Fluid Level Measurements
2 wells – Bug No.'s 14 & 17
Bug Field
San Juan County, Utah
File No. 2-58495-FL

Dear Sir:

Attached hereto are the results of the Fluid Level Measurements conducted on the above captioned wells on July 28, 2005.

The data presented is in tabular form.

It has been our pleasure to perform this service for you. If we may be of further assistance, please call us at any time.

Respectfully submitted,

Neil Tefteller

TEFTELLER, INC.

NT/mdt

TEFTELLER, INC.
RESERVOIR ENGINEERING DATA

FARMINGTON, NM
GRAND JUNCTION, CO

COMPANY: WEXPRO COMPANY

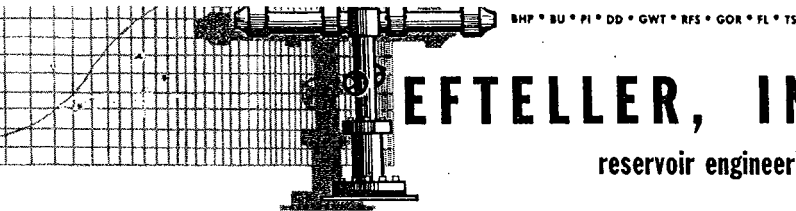
COUNTY & STATE SAN JUAN COUNTY, UTAH

DATE: 7-28-2005

PAGE 1 OF _____

FILE: 2-58495-FL

TIME:	LEASE & WELL NUMBER	STATUS OF WELL OR STROKES PER MINUTE	CASING PSIG	TUBING DEPTH	NUMBER JOINTS IN WELL	AVERAGE TUBING LENGTH FEET	NUMBER JOINTS TO FLUID	FLUID LEVEL FEET	PERFORATIONS
	BUG NO. 14	SHUT IN Tubing - 0	0	6286'	202	31.22	16	500'	6290' - 6310'
	BUG NO. 17	SHUT IN Tubing - 385	335	6195'	202	30.57	48	1467'	6298' - 6310'



FARMINGTON, NEW MEXICO/
GRAND JUNCTION, COLORADO

P. O. Box 1198
Farmington, New Mexico 87499
(505) 325-1731
Fax (505) 325-1148

2332 Interstate Ave., Ste. A
Grand Junction, CO 81505
(970) 241-0403
Fax (970) 241-7634

May 31, 2005

WEXPRO COMPANY
P. O. Box 458
Rock Springs, WY 82902

Attention: Mr. Jerry Ennis

Subject: Fluid Level Measurements
2 wells – Bug No.'s 14 & 17
San Juan County, UT
File No.2-58314-FL

Dear Sir:

Attached hereto are the results of the Fluid Level Measurements conducted on the above captioned wells on May 19, 2005.

The data presented is in tabular form.

It has been our pleasure to perform this service for you. If we may be of further assistance, please call us at any time.

Respectfully submitted,


Neil Tefteller

TEFTELLER, INC.

NT/mdt

Serving the Rocky Mountain Area

Company: WexPro
San Juan County Utah

Test Data

File: 2-58314-FL
Date: 05/19/2005

Time	Lease & Well #	Status of Well or Strokes per minute	Casing Psig	Tubing Depth	Number Joints in well	Average Tubing Length	Number Joints to Fluid	Fluid Level	Perforations
	Bug #14	Shut In	0	6286	202	31.22	16	500	6290'-6310'
		Tubing Psig 0							
	Bug #17	Shut In							
		Tubing Psig 360	440	6195	202	30.57	*	*	6298'-6310'

*Fluid level Inconclusive



FARMINGTON, NEW MEXICO/
GRAND JUNCTION, COLORADO

P. O. Box 1198
Farmington, New Mexico 87499
(505) 325-1731
Fax (505) 325-1148

2332 Interstate Ave., Ste. A
Grand Junction, CO 81505
(970) 241-0403
Fax (970) 241-7634

January 21, 2005
~~October 25, 2004~~



WEXPRO COMPANY
P.O. Box 458
Rock Springs, WY 82902

Attention: Mr. Jerry Ennis

Subject: Fluid Level Measurement
Bug Unit No. 14
San Juan County, Utah
File No. 2-52929-FL

Dear Sir:

Attached hereto are the results of the Fluid Level Measurement conducted on the above captioned well on January 20, 2005.

The data presented is in tabular form.

It has been our pleasure to perform this service for you. If we may be of further assistance, please call us at any time.

Note: Bug No. 17 – location too muddy to conduct service on well.

Respectfully submitted,

Neil Tefteller

TEFTELLER, INC.

NT/mdt

Serving the Rocky Mountain Area

Company: Wexpro Company
San Juan County Utah

Test Data

File: 2-52929-FL
Date 01/20/2005

Time	Lease & Well #	Status of Well or Strokes per minute	Casing Psig	Tubing Depth	Number Joints in well	Average Tubing Length	Number Joints to Fluid	Fluid Level	Perforations
	Bug #14	Shut in	0	6286	202	31.22	16	500	6290-6310
	Tubing '0' psig	Braden Head '0' psig							

Could NOT ACCESS LOCATION DUE TO MUDDY CONDITIONS. SEE COVER LETTER

12/06/2005 14:38 FAX 5053251148

TEFTELLER

005



October 25, 2004

307-352-7572

WEXPRO COMPANY
P.O. Box 458
Rock Springs, WY 82902

Attention: Mr. Jerry Ennis

Subject: Fluid Level Measurement
Bug Unit No. 14
San Juan County, Utah
File No. 2-52780-FL

Dear Sir:

Attached hereto are the results of the Fluid Level Measurement conducted on the above captioned well on October 14, 2004.

The data presented is in tabular form.

It has been our pleasure to perform this service for you. If we may be of further assistance, please call us at any time.

Respectfully submitted,

Neil Tefteller

TEFTELLER, INC.

NT/mdt

Company: Wexpro Company
San Juan County Utah

Test Data

File: 2-52780-FL
Date 10/14/2004

Time	Lease & Well #	Status of Well or Strokes per minute	Casing Psig	Tubing Depth	Number Joints in well	Average Tubing Length	Number Joints to Fluid	Fluid Level	Perforations
	Bug #14	Shut in	0	6286	202	31.22	16	500	6290-6310
	Tubing '0' psig	Braden Head '0' psig							
	Bug #17	Shut in		6195	202	30.57	Flowing	*	6298-6310
	Tubing '395' psig	Braden Head '15' psig							

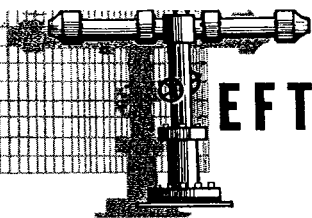
*Casing flowing to pit No way to take pressure

LEAKING CASING WING VALVE

12/06/2005 14:37 FAX 5053251148

TEFFELER

003



BHP • BU • PI • DD • GWT • RFS • GOR • FL • TS

TEFTELLER, INC.

reservoir engineering data

FARMINGTON, NEW MEXICO/
GRAND JUNCTION, COLORADO

P. O. Box 1198
Farmington, New Mexico 87499
(505) 325-1731
Fax (505) 325-1148

2332 Interstate Ave., Ste. A
Grand Junction, CO 81505
(970) 241-0403
Fax (970) 241-7634

Wexpro Co.
PO Box 458
Rock Springs, WY. 82901

Attention: Mr. Jerry L. Ennis

Subject: Fluid Level Measurement
Bug Unit #14
San Juan County Utah
File: 4-52595-FL

Dear Mr. Ennis

Attached hereto are the results of the fluid level measurement, conducted on the above captioned well on July 8, 2004.

The data presented is in tabular form.

It has been our pleasure to perform this service for you. If we may be of further assistance, please call us at any time.

Respectfully submitted,

Toby Tefteller

Tefteller, Inc.

TT/dda

Serving the Rocky Mountain Area

Company: Wexpro Co
San Juan County, Utah

Test Data

File: 2-52595-FL
Date: 07/08/2004

Time	Lease & Well #	Status of Well or Strokes per minute	Casing Psig	Tubing Depth	Number Joints in well	Average Tubing Length	Number Joints to Fluid	Fluid Level	Perforations
11:00	Bug #14	Shut In	5	6300	202	31.22	16	500	6290'-6310'
11:30	Bug #17	Shut in	250	6195	202	30.57	surface	*	6298'-6310'
	NOTE:	Bug #17 casing will flow water	tubing	320 psi	casing	250 psi	bradenhead	25 psi	